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STATE OF MONTANA
BOARD OF INVESTMENTS

AUDIT REPORT

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Arthur Andersen & Co.

June 30, 1980

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STATE OF MONTANA
Office of the Legislative Auditor



STATE CAPITOL
HELENA, MONTANA 59601
406/449-3122

MORRIS L. BRUSETT, C.P.A.
LEGISLATIVE AUDITOR

October 1980

ELLEN FEAYER, C.P.A.
DEPUTY LEGISLATIVE AUDITOR
JOHN W. NORTHEY
STAFF LEGAL COUNSEL

The Legislative Audit Committee
of the Montana State Legislature:

Transmitted herewith is the report on the audit of the Board of Investments for the year ended June 30, 1980.

The audit was conducted by Arthur Andersen and Co., Certified Public Accountants, under a contract between the firm and our office. The comments and recommendations contained in this report represent the views of the firm and not necessarily the Legislative Auditor.

The agency's written response to the report recommendations is included in the back of the audit report.

Respectfully submitted,

A handwritten signature in black ink that reads "Morris L. Brusett".

Morris L. Brusett, C.P.A.
Legislative Auditor

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STATE OF MONTANA BOARD OF INVESTMENTS

OVERVIEW OF AUDIT

JUNE 30, 1980

Our examination of the financial statements of the State of Montana Board of Investments was conducted primarily to enable us to render an opinion as to the fairness of their presentation. Included in this report are our opinions on the June 30, 1980 financial statements expressed in our auditors' reports dated September 10, 1980. In conjunction with our examinations, the Montana legislative auditor specifically requested that our audit procedures include the following:

1. Review state laws applicable to the Board and determine the Board's compliance therewith;
2. Physically examine all securities held by the Treasurer's office at June 30, 1980 and confirm with the holding institution those securities held in safekeeping;
3. Confirm with the servicing institution, the outstanding balances for all mortgages and SBA loans owned at June 30, 1980;
4. Examine all mortgages and related documents at specified bank locations;

5. - Test the accuracy of individual securities listed in the portfolio;
6. Test Short-Term Investment Pool transactions to determine compliance with established guidelines for operation of the pool;
7. Examine minutes of the monthly Board of Investments' meetings.

During our examination, several items came to our attention which should be considered by the Board and which are included on pages 18-20 of this report under the title "Memorandum of Suggested Improvements in Accounting Procedures and System of Internal Control". These items were considered by us during our examination; however, they do not modify the opinions expressed in our auditors' reports. The Board's actions relating to these suggestions should result in improved procedures and controls in future periods.

STATE OF MONTANA BOARD OF INVESTMENTS

APPOINTIVE AND ADMINISTRATIVE OFFICIALS

JUNE 30, 1980

BOARD OF INVESTMENTS

Dean H. Albert, Chairman	Term Expires January 5, 1981
John MacMillan	Term Expires January 5, 1981
Patricia P. Douglas	Term Expires January 5, 1981
John A. Hauf	Term Expires January 1, 1983
Joseph B. Reber	Term Expires January 1, 1983
Jay Lalonde (deceased July, 1980)	Term Expired January 1, 1983

ADMINISTRATIVE OFFICIALS

David M. Lewis	Director, Department of Administration
James R. Howeth	Investment Officer
Rodney G. Young	Assistant Investment Officer

STATE OF MONTANA BOARD OF INVESTMENTS

SUMMARY OF RECOMMENDATIONS

JUNE 30, 1980

As a separate section in the front of each audit report, we include a listing of all recommendations together with a notation as to whether the agencies concur or do not concur with each recommendation. This listing serves as a means of summarizing the recommendations contained in the report and the related agencies' replies thereto and also as a ready reference to the supporting comments. The full text of the recommendations and the agencies' replies thereto are included under the title "Memorandum of Suggested Improvements in Accounting Procedures and System of Internal Control".

Page

Adjustments to Money Max -

The Board should review the Money Max System and determine what action, if any, should be taken with respect to properly accounting for interest received adjustments.

19

Board reply - Concur. See page 22.

Physical Examination of Mortgages -

The Board should instruct certain mortgage servicing agencies to update and complete certain mortgage files.

20

Board reply - Concur. See page 22.

STATE OF MONTANA BOARD OF INVESTMENTS

ALL FUNDS, EXCLUDING THE SHORT-TERM INVESTMENT POOL

FINANCIAL STATEMENTS

AS OF JUNE 30, 1980 AND 1979

TOGETHER WITH

AUDITORS' REPORT

ARTHUR ANDERSEN & CO.
BOISE, IDAHO

To the Legislative Audit Committee
of the Montana State Legislature:

We have examined the statements of investments managed by the State of Montana Board of Investments All Funds, Excluding the Short-Term Investment Pool as of June 30, 1980 and 1979, and the related statements of investment income and changes in investments managed for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the investments managed by the State of Montana Board of Investments All Funds, Excluding the Short-Term Investment Pool as of June 30, 1980 and 1979, and its investment income and the changes in its investments managed for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations have been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The portfolio information as of June 30, 1980, contained in Appendix A of this report, although not considered necessary for a fair presentation of the aforementioned financial statements, is presented as supplementary information and has been subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, the portfolio information is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Arthur Andersen & Co.

Boise, Idaho,
September 10, 1980.

STATE OF MONTANA BOARD OF INVESTMENTS

ALL FUNDS, EXCLUDING THE SHORT-TERM INVESTMENT POOL

STATEMENTS OF INVESTMENTS MANAGED

JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
Investments managed at book value (current value of \$738,012,984 in 1980 and \$666,312,061 in 1979) (Note 2)	\$820,192,439	\$708,740,868
Dividends and interest receivable	15,059,997	11,947,238
Net unamortized deferred losses on bond swaps (Note 2)	6,336,310	5,148,671
Interest purchased receivable	177,587	148,562
	-----	-----
Total investments managed	\$841,766,333	\$725,985,339
	=====	=====

STATEMENTS OF INVESTMENT INCOME

FOR THE YEARS ENDED JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
INCOME:		
Interest income	\$ 66,172,040	\$ 50,002,724
Dividend income	2,299,614	1,725,549
Gain on sale of investments	9,401	1,100,172
Rental income	39,417	38,633
	-----	-----
	68,520,472	52,867,078
	=====	=====
EXPENSES:		
Administrative expenses	(108,763)	(104,265)
Net amortization of deferred losses on bond swaps (Note 2)	(953,511)	(1,061,325)
	-----	-----
	(1,062,274)	(1,165,590)
	=====	=====
Net investment income	\$ 67,458,198	\$ 51,701,488
	=====	=====

The accompanying notes and Schedule 1 are an integral part of these financial statements.

STATE OF MONTANA BOARD OF INVESTMENTS

ALL FUNDS, EXCLUDING THE SHORT-TERM INVESTMENT POOL

STATEMENTS OF CHANGES IN INVESTMENTS MANAGED

FOR THE YEARS ENDED JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
TOTAL INVESTMENTS MANAGED, BEGINNING OF YEAR	\$725,985,339	\$641,199,622
Net investment income	67,458,198	51,701,488
Income remitted to agencies	(64,345,439)	(49,878,318)
	-----	-----
Increase in dividends and interest receivable	3,112,759	1,823,170
Interest purchased during the year	595,225	391,042
Collection of interest purchased during the year	(566,200)	(324,446)
	-----	-----
Increase in interest purchased receivable	29,025	66,596
Net bond swap losses incurred during the year	2,141,150	812,090
Net amortization of deferred bond swap losses	(953,511)	(1,061,325)
	-----	-----
Increase (decrease) in net unamortized deferred losses on bond swaps	1,187,639	(249,235)
Increase in book value of investments due to net amortization of discounts and premiums	835,458	748,819
Investments purchased	5,461,058,430	5,310,552,884
Investments sold and matured	(5,350,442,317)	(5,228,156,517)
	-----	-----
Increase in book value of investments purchased	110,616,113	82,396,367
	-----	-----
TOTAL INVESTMENTS MANAGED, END OF YEAR	\$841,766,333	\$725,985,339
	=====	=====

The accompanying notes and Schedule 1 are an integral part of these financial statements.

STATE OF MONTANA BOARD OF INVESTMENTS

ALL FUNDS, EXCLUDING THE SHORT-TERM INVESTMENT POOL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1980

1. HISTORY AND ORGANIZATION:

The State of Montana Board of Investments (the Board) was created by an act of the Legislature to invest and manage the State of Montana's investment funds on a centralized basis. The investments and the income therefrom are owned by various State of Montana agency funds and managed on their behalf by the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Investments

Investments, except mortgages, are presented in the statements of investments managed at book value (original cost adjusted for discount and premium amortization where applicable). Mortgages are presented in the statements of investments managed at par value. Mortgage discounts are recorded in the accounting records of the applicable administering agencies. Current values for publicly traded securities are determined primarily by reference to market prices supplied to the Board by various brokerage houses. Unrealized market loss on investments managed was \$39,750,648 in 1980 and \$5,100,628 in 1979. The investments managed relate principally to investments which will be held to maturity or otherwise disposed of at no significant loss to the fund.

Premiums and discounts are amortized using the straight-line method over the life of the securities. An average life of eight years is used for amortization of mortgage discounts.

Bond Swaps

Bond swaps involve trading one security for another security having the same par value for the purpose of enhancing portfolio content and/or yield. The Board defers gains and losses resulting from bond swaps and amortizes such gains and losses over the shorter of either the remaining life of the bonds sold or the replacement bonds purchased. As shown in the accompanying financial statements at June 30, 1980 and 1979, the accumulated net unamortized deferred losses on bond swaps aggregated \$6,336,310 in 1980 and \$5,148,671 in 1979. The net amortization of the deferred losses on bond swaps totaled \$953,511 in 1980 and \$1,061,325 in 1979.

3. INVESTMENTS NOT UNDER DIRECT CONTROL:

During fiscal year 1980, the Board obtained direct control over mortgages previously administered by the Teachers' Retirement System. Direct control over mortgages previously administered by the Public Employee's Retirement System and the Workers' Compensation Division was obtained during fiscal year 1979. Buildings and land, the cost of which are also included in investments managed in the accompanying financial statements, are still not under direct control of the Board. The agencies administering these assets maintain control and provide the Board with the necessary financial information. Rental income from these buildings and interest income from the mortgages are included in the statements of investment income; however, occupancy and depreciation charges relating to the buildings are not material and have not been included in the statements of investment income.

The book value of these assets included in investments managed in the accompanying financial statements at June 30, 1980 and 1979 are as follows:

	<u>1980</u>	<u>1979</u>
Mortgages	\$ -	\$34,933,215
Land and Buildings	311,721	299,811

STATE OF MONTANA BOARD OF INVESTMENTS

ALL FUNDS, EXCLUDING THE SHORT-TERM INVESTMENT POOL

SCHEDULE OF INVESTMENT INCOME BY FUND

FOR THE YEARS ENDED JUNE 30, 1980 and 1979

FUND	1980		1979	
	INCOME REMITTED TO AGENCIES	NET INVESTMENT INCOME	INCOME REMITTED TO AGENCIES	NET INVESTMENT INCOME
Treasurer's Fund	\$ 8,533,373	\$ 8,880,203	\$ 3,477,036	\$ 3,567,226
Public Employees' Retirement Fund	18,490,495	19,321,321	15,781,857	16,357,251
Teachers' Retirement Fund	14,539,929	14,936,461	12,903,231	13,272,323
Trust and Legacy Fund	7,911,104	8,173,410	6,631,429	6,813,640
Workers' Compensation Fund	4,966,315	5,110,967	4,714,651	4,788,014
Highway Building Complex Sinking Fund	99,323	56,210	82,300	115,200
Statewide Police Reserve Fund	427,034	443,503	329,777	351,411
Sheriffs' Retirement Fund	402,207	432,931	310,185	326,550
Educational Trust Fund	1,134,101	1,475,567	547,567	665,932
Volunteer Firemans' Fund	169,022	165,227	143,150	154,249
Permanent Coal Trust Fund	1,818,177	2,245,692	571,796	801,966
University of Montana	842	646	897	897
Montana State University Trust Fund	29,131	128,176	24,040	23,017
Long Range Building Sinking Fund	231,986	188,477	201,344	231,629
Long Range Building Fund	-	-	15,011	11,179
Eastern Montana College Trust Fund	38,273	34,271	20,702	25,473
Northern Montana College Trust Fund	-	-	720	411
Common School I & I Fund	1,419,214	1,598,033	763,524	834,921
Game Wardens' Retirement Fund	190,657	193,319	159,477	170,987
Social Security Fund	1,443,405	1,484,552	953,843	968,284
Montana Judges' Retirement Fund	194,951	200,866	156,291	167,378
Hail Insurance Fund	40,705	40,705	40,698	40,698
Subsequent Injury Fund	168,355	168,809	145,593	151,605
Highway Patrol Retirement Fund	475,798	500,759	397,421	411,625
Resource Indemnity Fund	1,082,090	1,129,596	882,593	931,427
Montana Tech, P.E., Building Sinking Fund	14,593	14,593	5,967	7,789
Deaf and Blind Fund	3,453	4,488	16,501	7,021
William L. Murphy Fund	17,233	17,842	18,870	19,380
Teachers' Retirement Fullam Fund	1,457	1,527	1,321	1,372
Dixon Endowment Fund	3,830	3,830	3,829	4,788
Peter Potter Trust Fund	(7)	(973)	1,392	3,003
Trust Contractors' License Fund	-	-	537,807	437,344
Federal Revenue Sharing	475,069	475,069	37,498	37,498
Crime Victims Fund	10,229	19,026	-	-
Uninsured Employer's Fund	13,095	13,095	-	-
	-----	-----	-----	-----
	\$64,345,439	\$67,458,198	\$49,878,318	\$51,701,488
	=====	=====	=====	=====

STATE OF MONTANA BOARD OF INVESTMENTS

SHORT-TERM INVESTMENT POOL

FINANCIAL STATEMENTS

AS OF JUNE 30, 1980 AND 1979

TOGETHER WITH

AUDITORS' REPORT

ARTHUR ANDERSEN & CO.

BOISE, IDAHO

To the Legislative Audit Committee
of the Montana State Legislature:

We have examined the statements of investments managed by the State of Montana Board of Investments Short-Term Investment Pool as of June 30, 1980 and 1979, and the related statements of investment income and distributions and changes in investments managed for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the investments managed by the State of Montana Board of Investments Short-Term Investment Pool as of June 30, 1980 and 1979, and its investment income and distributions and the changes in its investments managed for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations have been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The portfolio information as of June 30, 1980, contained in Appendix A of this report, although not considered necessary for a fair presentation of the aforementioned financial statements, is presented as supplementary information and has been subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, the portfolio information is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Arthur Andersen & Co.

Boise, Idaho,
September 10, 1980.

STATE OF MONTANA BOARD OF INVESTMENTS

SHORT-TERM INVESTMENT POOL

STATEMENTS OF INVESTMENTS MANAGED

JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
Cash	\$ 224,509	\$ 4,889
Interest receivable	4,768,767	3,279,221
Investments managed at current value (cost of \$209,196,112 in 1980 and \$181,789,885 in 1979) (Note 2)	213,693,668	179,256,423
<hr/>	<hr/>	<hr/>
Total assets	218,686,944	182,540,533
Accrued expenses	(23,836)	(23,091)
<hr/>	<hr/>	<hr/>
Value of units	218,663,108	182,517,442
Income due participants	(2,034,929)	(1,348,035)
<hr/>	<hr/>	<hr/>
Net asset value	\$216,628,179	\$181,169,407
<hr/>	<hr/>	<hr/>
Units outstanding	218,971	182,204
Unit value	\$998.59	\$1,001.72

The accompanying notes and Schedule 1 are an integral part of these financial statements.

STATE OF MONTANA BOARD OF INVESTMENTS
SHORT-TERM INVESTMENT POOL
STATEMENTS OF INVESTMENT INCOME AND DISTRIBUTIONS
FOR THE YEARS ENDED JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
Interest income	\$20,125,379	\$14,837,352
Administrative expenses (Note 2)	(272,626)	(258,692)
	-----	-----
Net income	19,852,753	14,578,660
Income purchased by participants	2,527,991	1,553,956
Income due participants, beginning of year	1,348,035	1,091,227
	-----	-----
Income available for distribution	23,728,779	17,223,843
	-----	-----
Income distributed on units sold (Note 2)	1,747,919	1,536,420
November distribution (Note 2)	8,314,429	6,751,755
May distribution (Note 2)	11,631,502	7,587,633
	-----	-----
Total distributions	21,693,850	15,875,808
	-----	-----
Income due participants, end of year	\$ 2,034,929	\$ 1,348,035
	=====	=====

The accompanying notes and Schedule 1 are an integral part
of these financial statements.

STATE OF MONTANA BOARD OF INVESTMENTS

SHORT-TERM INVESTMENT POOL

STATEMENTS OF CHANGES IN INVESTMENTS MANAGED

FOR THE YEARS ENDED JUNE 30, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
Net asset value, beginning of year	\$181,169,407	\$170,051,587
Value of units purchased by participants	98,758,064	80,986,353
Change in current value of investments managed	696,955	(231,490)
Value of units sold by participants	(63,996,247)	(69,637,043)
	-----	-----
Net asset value, end of year	\$216,628,179	\$181,169,407
	=====	=====

The accompanying notes and Schedule 1 are an integral part of these financial statements.

STATE OF MONTANA BOARD OF INVESTMENTS

SHORT-TERM INVESTMENT POOL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1980

1. HISTORY AND ORGANIZATION:

The State of Montana Board of Investments (the Board) was created by an act of the Legislature to invest and manage the State of Montana's investment funds on a centralized basis. The Short-Term Investment Pool (STIP) provides a short-term investment vehicle for participants (state and local governmental units) with a relatively small amount to invest. Investment in STIP affords the participant liquidity and a return on their investment. The investments and the income of STIP are owned by the participants as they purchase units and are managed on their behalf by the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Administrative Expenses

Administrative expenses incurred by the Board are charged to STIP daily based on the Board's expenses applicable to STIP.

Income Distribution

The value of units purchased or sold includes a daily computation of net asset value and income; therefore, income to point of sale is included in proceeds to the seller. Cash distributions of income are made to continuing participants on the last working day in the months of May and November. The amounts shown for value of units purchased and sold by participants are net of income purchased and income sold, respectively.

Money Max System

On July 1, 1979, the Board converted from a manual to an automated system (Money Max) for STIP accounting. Money Max automatically accrues investment income and expenses, computes unit values, etc., on an individual fund basis. Current values for investments are determined by Money Max through direct computer access from a New York securities valuation firm. Investments are presented in the statements of investments managed at current value. The value of investments managed is adjusted daily for changes in the current value.

Schedule 1

STATE OF MONTANA BOARD OF INVESTMENTS

SHORT-TERM INVESTMENT POOL

SCHEDULE OF INVESTMENT INCOME BY FUND

FOR THE YEARS ENDED JUNE 30, 1980 and 1979

	1980	1979
	INCOME DISTRIBUTED	NET INCOME
Treasurer's Fund	\$12,145,117	\$12,461,409
Resource Indemnity Fund	93,440	113,801
Common School I & I Fund	359,901	392,259
Long Range Building Fund	1,090,246	1,170,710
Educational Trust Fund	87,929	86,389
Highway Patrol Retirement Fund	5,344	6,692
Statewide Police Reserve Fund	31,601	34,160
Local Impact Fund	515,242	548,530
Sheriffs' Retirement Fund	14,681	15,136
Montana State University	767,709	800,712
Hail Insurance Fund	251,424	262,377
Permanent Coal Trust Fund	299,953	373,688
Agency Insurance Fund	526,532	551,927
Game Wardens' Retirement Fund	11,053	13,235
Montana Judges' Retirement Fund	6,201	7,320
Volunteer Fireman's Fund	5,882	5,934
Highway Complex Headquarters Fund	28,203	28,631
Subsequent Injury Fund	4,143	4,660
University of Montana	275,666	285,358
Federal Revenue Sharing, Capital Construction Fund	(397)	(2,601)
Coal Tax-Park Acquisition	253,740	276,134
Lands & Resource Development Fund	136,947	144,093
Montana Tech	76,170	77,478
Woodville Highway Replacement	162,881	166,155
Eastern Montana College	72,094	85,129
Montana Rural Rehab. Fund	2,617	2,174
Northern Montana College	26,075	27,160
William Murphy Fund	1,954	1,988
Wheat Research & Marketing Fund	27,714	27,790
Livestock Commission Funds	52,848	56,818
Western Montana College	31,367	30,803
Flood Insurance Fund	24,184	24,695
Agriculture Funds	32,179	32,858

Schedule 1

STATE OF MONTANA BOARD OF INVESTMENTSSHORT-TERM INVESTMENT POOLSCHEDULE OF INVESTMENT INCOME BY FUNDFOR THE YEARS ENDED JUNE 30, 1980 and 1979(CONTINUED)

	1980	1979		
	INCOME DISTRIBUTED	NET INCOME	INCOME DISTRIBUTED	NET INCOME
Deaf & Blind Bequest Fund	6,032	6,359	2,751	3,045
Donable Property Fund	6,614	6,754	6,187	6,145
Board of Oil & Gas Fund	19,459	22,555	11,788	11,897
Foster Children Fund	9,614	9,978	7,154	7,220
Teachers' Retirement Fullam Fund	1,149	1,233	400	417
Water & Waste Water Operators Fund	1,896	1,942	1,462	1,489
Uninsured Employers' Fund	9,449	9,511	10,156	11,252
Potter Trust Fund	4,388	4,584	627	828
Eugene W. Price Scholarship	1,283	1,311	1,057	1,067
Crime Victims Fund	4,119	5,495	-	-
Group Benefits Fund	52,618	60,845	-	-
Joseph Homan Fellowship	22	104	-	-
Other Non-State Agencies	1,143,291	1,140,322	1,335,039	1,300,445
	-----	-----	-----	-----
	\$18,680,574	\$19,384,595	\$13,593,797	\$13,818,672
	=====	=====	=====	=====

Note: The amounts shown above as income distributed and income earned by participants in the STIP include gains and losses of the individual funds resulting from sales of units in the STIP at amounts greater than or less than their original purchase cost. These gains and losses are accumulated by the Board and reported by the Board to the STIP participants. These gains and losses are those of the STIP participants and not those of the Board and are therefore not reflected in the accompanying financial statements. Accordingly, the amounts shown above do not agree with the income distributed amounts shown in the accompanying statement of investment income and distributions.

STATE OF MONTANA BOARD OF INVESTMENTS

MEMORANDUM OF SUGGESTED IMPROVEMENTS

IN ACCOUNTING PROCEDURES AND SYSTEM OF INTERNAL CONTROL

SEPTEMBER 1980

ARTHUR ANDERSEN & Co.

999 MAIN STREET
BOISE, IDAHO 83702
(208) 345-0937

Legislative Audit Committee
Montana State Legislature

Gentlemen:

The accompanying memorandum includes suggestions for improvements of accounting procedures and internal accounting control measures that came to our attention as a result of our examination of the financial statements of the investments managed by the State of Montana Board of Investments (the Board) for the year ended June 30, 1980. The matters discussed herein were considered by us during our examination and they do not modify the opinions expressed in our auditors' reports dated September 10, 1980, on such financial statements.

In accordance with generally accepted auditing standards, we performed a review and evaluation of existing internal accounting controls for the purpose of providing a basis for reliance thereon in determining the nature, timing and extent of the audit tests applied in connection with our examination of the Board's 1980 financial statements. While certain matters which came to our attention during the review are presented in the accompanying memorandum for the consideration of management, such a review was not designed for the purpose of making detailed recommendations and would not necessarily disclose all weaknesses in the existing system.

The accompanying memorandum also includes comments and suggestions with respect to other financial and administrative matters which came to our attention during the course of our examination of the financial statements. These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving accounting control and other financial and administrative practices and procedures.

Very truly yours,

Arthur Andersen & Co.

Adjustments to Money Max

The Money Max system used to account for Short-Term Investment Pool (STIP) activity, automatically computes accrued interest on investments held by the STIP based on a 365 day year. Minor differences may occur between the amount of interest accrued and the amount received due to different methods employed by banks to compute interest (360 day year, 30 day month, etc.). Because of the way the Money Max system is designed, differences between interest accrued and interest received are not reflected in the accumulated earnings computation and will effect the amount of earnings distributed to participants.

We suggest that the Board review this apparent "blind spot" in the Money Max system and determine what, if any, action needs to or can be taken to correct it.

Management Comments:

We concur.

Physical Examination of Mortgages

During our examination of mortgages and supporting documentation purchased by the Board and held by the Mortgage Agency, we noted 12 instances in which the assignment of the mortgages had been misfiled or lost. Details of these mortgages have previously been furnished to the Board.

We recommend that the Board inform the appropriate mortgage agencies of their concern relating to mortgage files and accounting records, and also request that the agencies update and complete their mortgage files.

Management Comments:

We concur.

STATE OF MONTANA BOARD OF INVESTMENTS

PRIOR YEAR RECOMMENDATIONS

The State of Montana Board of Investments is in substantial compliance with the recommendations discussed in the 1979 audit report.

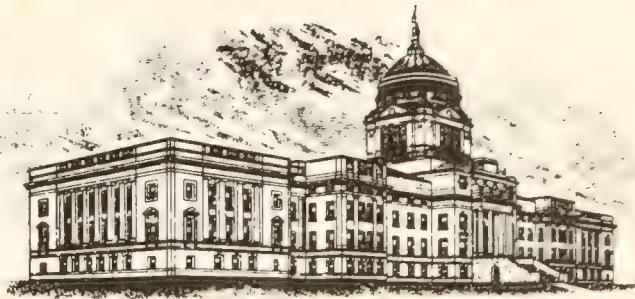
STATE OF MONTANA BOARD OF INVESTMENTS

AGENCY REPLIES

STATE OF MONTANA

DEPARTMENT OF ADMINISTRATION

BOARD OF INVESTMENTS



October 3, 1980

ROOM 236, MITCHELL BUILDING
HELENA, MONTANA 59601
(406) 449-2656

Mr. Paul Fisk
Arthur Andersen & Co.
999 Main Street
Boise, Idaho 83702

Dear Paul:

Below are our responses to the recommendations contained in your report on the audit of the State of Montana, Board of Investments.

RECOMMENDATION: The Board should review the Moneymax System and determine what action, if any, should be taken with respect to properly accounting for interest received adjustments.

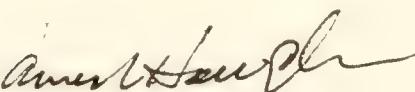
RESPONSE: We concur

RECOMMENDATION: The Board should instruct certain mortgage servicing agencies to update and complete certain mortgage files.

RESPONSE: We concur

If we may be of further assistance or provide additional information, please let me know.

Sincerely,


James R. Howeth

Investment Officer

JRH/dmp

STATE OF MONTANA BOARD OF INVESTMENTS

PORTFOLIO OF INVESTMENTS

APPENDIX A

STATE OF MONTANA BOARD OF INVESTMENTS
SUMMARY OF PORTFOLIO
JUNE 30, 1980

<u>FUND</u>	<u>COST</u>	<u>LONG-TERM</u>	<u>MARKET</u>	
		<u>LONG-TERM</u>	<u>SHORT-TERM*</u>	<u>TOTAL</u>
Treasurer's Fund	\$ 88,155,384	\$ 88,304,358	\$126,545,437	\$214,849,795
State Funds Holding Only STIP Units	-	-	49,682,968	49,682,968
Public Employees' Retirement Fund	244,299,633	214,954,029	-	214,954,029
Teachers' Retirement Fund	192,920,236	173,684,511	-	173,684,511
Trust and Legacy Fund	108,949,050	92,629,294	-	92,629,294
Workers' Compensation Fund	59,959,191	50,780,332	-	50,780,332
Highway Building Complex Sinking Fund	599,741	549,000	-	549,000
Statewide Police Reserve Fund	5,475,899	4,572,609	530,145	5,102,754
Sheriffs' Retirement Fund	5,072,791	4,495,903	427,022	4,922,925
Educational Trust Fund	19,746,631	18,400,618	2,856,302	21,256,920
Volunteer Firemans' Fund	2,176,471	1,843,224	84,612	1,927,836
Permanent Coal Trust Fund	30,301,905	28,753,276	9,646,000	38,399,276
University of Montana Field House Fund	3,929	3,505	134,018	137,523
University of Montana Pool Fund	1,964	1,752	22,584	24,336
Montana State University Trust Fund	4,843,553	4,979,687	2,602,227	7,581,914
Long Range Building Sinking Fund	2,124,626	2,044,838	-	2,044,838
Eastern Montana College Trust Fund	294,900	300,362	1,264,876	1,565,238
Common School I & I Fund	12,237,799	12,434,197	5,369,365	17,803,562
Game Wardens' Retirement Fund	2,470,384	1,935,716	372,040	2,307,756
Social Security Fund	15,312,368	15,248,220	-	15,248,220
Montana Judges' Retirement Fund	2,473,294	2,084,309	206,626	2,290,935
Hail Insurance Fund	549,731	381,060	2,940,845	3,321,905
Subsequent Injury Fund	2,024,499	1,735,673	103,521	1,839,194
Highway Patrol Retirement Fund	6,090,250	5,036,338	315,209	5,351,547
Resource Indemnity Fund	13,609,420	11,934,646	2,584,154	14,518,800
Montana Tech P.E. Building Sinking Fund	160,029	152,456	-	152,456
Deaf and Blind Bequest Fund	-	68,941	73,257	142,198
William L. Murphy Fund	-	261,282	19,354	280,636
Teachers' Retirement Fullam Fund	-	22,158	13,934	36,092
Dixon Endowment Fund	-	31,040	-	31,040
Peter Potter Trust Fund	-	43,026	45,515	88,541
Caras Endowment Fund	-	1,500	-	1,500
Crime Victims Fund	338,783	345,124	181,638	526,762
Other (rounding)	(22)	-	-	-
	-----	-----	-----	-----
	\$820,192,439	\$738,012,984	206,021,649	944,034,633
	=====	=====	=====	=====
Other Non-State Agencies			12,641,459	

			\$218,663,108	
			=====	

*Amounts shown represent current value of units held by participants.

CONTENTS

Treasurer's Fund	1	Eastern Montana College Trust Fund	64
Short-Term Investment Pool	2	Common School I & I Fund	65
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Montana State University Trust Fund	62	Crime Victims' Compensation Fund	88
Long Range Building Sinking Fund	63	Peter Potter Trust Fund	89
		Caras Endowment Scholarship Fund	90

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
REPO CITIBANK NY	12,530	8.750	07-01-80	12,530,000	12,520,000	8.750
REPO WELLS FARGO BANK SF	9,800	8.250	07-02-80	9,800,000	9,800,000	8.250
REPO WELLS FARGO BANK SF	39,500	8.500	07-01-80	39,500,000	39,500,000	8.500
SUBCLASS TOTAL	61,830			61,830,000	61,830,000	
US BANKERS ACCEPTANCE						
BANKERS ACCEPTANCES BANK OF AMERICA SF	2,000	8.400	08-01-80	1,976,667	1,985,067	8.400
BANKERS ACCEPTANCES FIRST NATL BOSTON	2,000	9.350	07-10-80	1,971,431	1,994,806	9.350
BANKERS ACCEPTANCES FIRST NATL BOSTON	3,000	8.400	07-28-80	2,967,100	2,980,400	8.400
BANKERS ACCEPTANCES CHASE MANHATTAN NY	2,500	6.650	07-07-80	2,463,101	2,456,701	6.650
BANKERS ACCEPTANCES CHEMICAL BANK NY	3,000	8.450	07-09-80	2,980,285	2,993,662	8.450
BANKERS ACCEPTANCES CITIBANK NEW YORK	3,000	8.400	07-14-80	2,976,900	2,990,700	8.400
BANKERS ACCEPTANCES MORGAN GUARANTY NY	2,000	9.700	07-07-80	1,969,822	1,976,228	9.700
SUBCLASS TOTAL	17,300			17,325,384	17,436,150	
SECURITY TOTAL	79,330			79,155,364	79,206,153	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL FARM CREDIT BANKS	5,000	13.150	07-01-80	5,000,000	5,000,000	13.150
FEDERAL FARM CREDIT BANKS	2,000	13.150	08-04-80	2,000,000	2,002,200	13.150
FEDERAL FARM CREDIT BANKS	2,000	13.050	11-03-90	2,000,000	2,036,500	13.050
SUBCLASS TOTAL	9,000			9,000,000	9,036,200	
SECURITY TOTAL	9,000			9,000,000	9,036,200	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	126,545	0.00	00-00-CO126,545,437	126	545	437
SUBCLASS TOTAL	126,545			126,545,437	126,545,437	
SECURITY TOTAL				126,545,437	126,545,437	
FUND TOTAL	214,975			214,700,821	214,849,795	

SHORT TERM INVESTMENT POOL

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
DRESSER INDUSTRIES	700	8.650	05-15-85	700,000	637,000	8.650
DRESSER INDUSTRIES	150	8.650	05-15-85	150,000	136,500	8.650
DRESSER INDUSTRIES	150	8.650	05-15-85	150,000	136,500	8.650
INLAND STEEL CORP NOTES	1,000	11.250	06-01-90	995,000	1,012,500	11.330
MONTGOMERY WARD CREDIT	1,000	13.625	12-01-87	1,000,000	1,081,250	13.625
NORTH AMERICAN PHILLIPS	1,000	11.000	06-01-87	1,000,000	1,000,000	11.000
RCA CORPORATION	1,000	10.200	08-15-92	1,000,000	990,000	10.200
SUBCLASS TOTAL	5,000			4,965,000	4,923,750	
BANKS AND INSURANCE						
BANK OF AMERICA CORP NOTES	1,000	10.450	05-15-85	1,000,000	1,027,500	10.450
NORTHWEST BANCORPORATION	1,000	7.975	09-15-86	998,750	998,750	7.975
SECURITY PACIFIC CORP NOTES	1,000	10.750	06-15-84	995,000	1,036,250	10.750
SUBCLASS TOTAL	3,000			2,993,750	2,916,000	
OTHER FINANCIAL						
ALLIS CHALMERS CREDIT	1,000	12.000	06-01-90	996,250	1,020,000	12.070
BENEFICIAL CORP	1,500	11.500	01-15-95	1,495,050	1,545,000	11.600
FORD MOTOR CREDIT	1,000	10.500	10-01-94	922,840	920,000	11.600
FORD MOTOR CREDIT	500	10.500	10-01-94	500,000	490,000	10.500
GENERAL MOTORS ACCEPTANCE CORP	1,000	11.625	06-01-90	1,007,500	1,035,000	11.296
SUBCLASS TOTAL	5,000			4,921,640	4,960,000	
UTILITIES						
AMERICAN TEL & TEL NOTES	1,000	10.375	06-01-90	1,000,000	1,019,750	10.375
COMMONWEALTH EDISON	1,000	14.875	03-15-87	962,500	1,130,000	15.770
COMMONWEALTH EDISON	1,500	14.875	06-15-87	482,500	565,000	14.714
CONSOLIDATED EDISON OF NY	500	8.500	01-15-94	500,000	415,000	8.900
GENERAL TEL CALIFORNIA	1,000	13.750	04-01-87	1,025,270	1,107,500	13.128
PACIFIC TEL & TEL	1,000	15.125	03-01-90	1,000,000	1,143,750	15.125
PACIFIC TEL & TEL	1,000	15.125	03-01-90	1,000,000	1,143,750	15.125
PACIFIC TEL & TEL	1,000	15.125	03-01-90	1,000,000	1,143,750	15.125
SUBCLASS TOTAL	7,000			6,970,270	7,662,000	

SHORT TERM INVESTMENT POOL

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
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CANADIAN

BRITISH COLUMBIA HYDRO & POWER	500	10.250	10-01-99	500,000	457,031	10.250
BRITISH COLUMBIA HYDRO & POWER	1,000	8.375	02-15-07	1,000,000	921,563	8.375
MUNICIPAL FINANCE AUTHORITY OF BC	500	8.375	05-01-01	476,250	439,063	8.375
MUNICIPAL FINANCE AUTHORITY OF BC	480	8.875	05-01-01	457,200	421,500	9.370
NEW BRUNSWICK ELECTRIC POWER	1,000	10.500	10-01-95	915,080	915,080	11.700
QUEBEC HYDRO ELECTRIC	1,000	8.250	01-01-04	995,000	744,063	8.295
SUBCLASS TOTAL	4,480			4,343,530	4,068,140	
SECURITY TOTAL	24,480			24,224,190	24,649,390	

MONEY MARKET INSTRUMENTS
US REPURCHASE AGREEMENTS

US TREASURY BILLS	4,000	12.400	01-29-81	3,524,667	3,810,625	12.400
US TREASURY BILLS	3,000	13.770	02-26-81	2,589,195	2,836,750	13.770
REPO CITIBANK NY	27,470	8.750	07-01-90	27,470,000	27,470,000	8.750
FEDERAL HOME LOAN BANKS DISCOUNT NOTES	2,000	16.000	10-29-90	1,792,389	1,942,525	16.000
FINAL DISCOUNT NOTES	2,000	15.875	01-07-91	1,736,299	1,906,214	15.875
SUBCLASS TOTAL	38,470			37,113,050	37,970,114	

TIME CERTIFICATES OF DEPOSIT

YELLOWSTONE BANK ABSAROKEE CD	15,500	10-14-80	200,000	200,000	16,500
FIRST SECURITY BANK ANACONDA CD	300	17.000	10-06-80	300,000	300,000
FIRST SECURITY BANK ANACONDA CD	500	12.250	11-03-80	500,000	500,000
FIRST SECURITY BANK ANACONDA CD	200	10.000	11-10-80	200,000	200,000
FIRST SECURITY BANK ANACONDA CD	500	9.000	12-01-80	500,000	500,000
BANK OF BAKER CD	200	11.250	09-26-80	200,000	200,000
BANK OF BAKER CD	150	14.250	02-20-81	150,000	150,000
BANK OF BAKER CD	150	14.250	C2-26-81	150,000	14250
MONTANA BANK BELGRADE CD	200	13.250	08-04-80	200,000	200,000
MONTANA BANK BELGRADE CD	200	9.000	12-01-80	200,000	200,000
FIRST CITIZENS BANK BILLINGS CD	500	7.760	05-01-81	500,000	500,000
FIRST CITIZENS BANK BILLINGS CD	500	7.660	05-23-82	500,000	500,000
FIRST BANK BILLINGS CD	200	7.530	04-15-81	200,000	200,000
FIRST BANK BILLINGS CD	100	7.510	04-15-81	100,000	100,000
FIRST BANK BILLINGS CD	200	7.390	04-15-81	200,000	200,000
FIRST BANK BILLINGS CD	200	7.400	10-21-81	200,000	200,000
FIRST BANK BILLINGS CD	100	7.350	10-21-81	100,000	100,000
FIRST BANK BILLINGS CD	200	7.300	10-21-81	200,000	200,000
FIRST BANK BILLINGS CD	200	7.400	10-21-81	200,000	200,000
FIRST BANK BILLINGS CD	100	7.000	10-21-81	100,000	100,000
FIRST BANK BILLINGS CD	200	6.900	10-21-81	200,000	200,000

TIME CERTIFICATES OF DEPOSIT

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
FIRST BANK BILLINGS CD	500	04-28-81	500,000	500,000	500,000	6. 530
FIRST BANK BILLINGS CD	500	04-28-82	500,000	500,000	500,000	6. 730
FIRST BANK BILLINGS CD	250	11-04-80	250,000	250,000	250,000	7. 260
FIRST BANK BILLINGS CD	500	11-04-81	500,000	500,000	500,000	7. 350
FIRST BANK BILLINGS CD	500	11-04-82	500,000	500,000	500,000	7. 455
FIRST BANK BILLINGS CD	2,000	06-09-81	2,000,000	2,000,000	2,000,000	9. 000
FIRST BANK BILLINGS CD	2,000	12-08-80	2,000,000	2,000,000	2,000,000	9. 000
RIMROCK BANK BILLINGS CD	100	9.000	100,000	100,000	100,000	7. 520
SECURITY BANK BILLINGS CD	500	7.520	500,000	500,000	500,000	7. 450
FIRST BANK WEST BILLINGS CD	100	7.150	100,000	100,000	100,000	7. 350
FIRST BANK WEST BILLINGS CD	100	7.400	100,000	100,000	100,000	7. 150
FIRST BANK WEST BILLINGS CD	100	7.500	100,000	100,000	100,000	7. 150
FIRST BANK WEST BILLINGS CD	100	7.000	100,000	100,000	100,000	7. 150
FIRST BANK WEST BILLINGS CD	200	7.360	200,000	200,000	200,000	7. 360
FIRST BANK WEST BILLINGS CD	200	7.390	200,000	200,000	200,000	7. 390
FIRST BANK WEST BILLINGS CD	200	7.450	200,000	200,000	200,000	7. 450
FIRST BANK WEST BILLINGS CD	100	7.610	100,000	100,000	100,000	7. 610
FIRST BANK WEST BILLINGS CD	100	7.910	100,000	100,000	100,000	7. 910
FIRST BANK WEST BILLINGS CD	200	12.250	200,000	200,000	200,000	12.250
WESTERN BANK BILLINGS CD	200	11.000	200,000	200,000	200,000	11.000
WESTERN BANK BILLINGS CD	200	13.000	200,000	200,000	200,000	13.000
WESTERN BANK BILLINGS CD	100	13.250	100,000	100,000	100,000	13.250
WESTERN BANK BILLINGS CD	200	10.000	200,000	200,000	200,000	10.000
WESTERN BANK BILLINGS CD	400	9.000	400,000	400,000	400,000	9.000
WESTERN STATE BANK BILLINGS CD	450	11.250	450,000	450,000	450,000	11.250
WESTERN STATE BANK BILLINGS CD	500	12.000	500,000	500,000	500,000	12.000
FIRST NORTHWESTERN NATL BANK BILLINGS CD	500	7.730	500,000	500,000	500,000	7. 730
FIRST NORTHWESTERN NATL BANK BILLINGS CD	500	8.020	500,000	500,000	500,000	8. 020
FIRST NORTHWESTERN NATL BANK BILLINGS CD	500	8.310	500,000	500,000	500,000	8. 310
MONTANA BANK BOZEMAN CD	600	10.125	600,000	600,000	600,000	10. 125
MONTANA BANK BOZEMAN CD	300	10.500	300,000	300,000	300,000	10. 500
MONTANA BANK BOZEMAN CD	500	12.500	500,000	500,000	500,000	12. 500
MONTANA BANK BOZEMAN CD	200	12.500	200,000	200,000	200,000	12. 500
FIRST BANK BOZEMAN CD	500	7.375	500,000	500,000	500,000	7. 375
FIRST BANK BOZEMAN CD	1,000	16.500	1,000,000	1,000,000	1,000,000	16. 500
FIRST BANK BOZEMAN CD	1,000	11.250	1,000,000	1,000,000	1,000,000	11. 250
FIRST SECURITY BANK BOZEMAN CD	1,500	11.250	1,500,000	1,500,000	1,500,000	11. 250
FIRST SECURITY BANK BOZEMAN CD	300	17.000	300,000	300,000	300,000	17. 000
FIRST NATIONAL BANK BROWNING CD	500	8.750	500,000	500,000	500,000	8. 750
FIRST NATIONAL BANK BROWNING CD	10,000	10.500	10,000,000	10,000,000	10,000,000	10. 500
MONTANA BANK BUTTE CD	250	7.280	250,000	250,000	250,000	7. 280
PRUDENTIAL FED SAVINGS & LOAN BUTTE CD	100	7.750	100,000	100,000	100,000	7. 750
WESTERN BANK CHINOOK CD	300	8.000	100,000	100,000	100,000	8. 000
WESTERN BANK CHINOOK CD	200	6.750	200,000	200,000	200,000	6. 750
WESTERN BANK CHINOOK CD	400	4.000	400,000	400,000	400,000	7. 900
BANK OF COLUMBIA FALLS CD	200	7.750	200,000	200,000	200,000	7. 750
BANK OF COLUMBIA FALLS CD	200	10.125	200,000	200,000	200,000	10. 125

SHORT TERM INVESTMENT POOL

TIME CERTIFICATES OF DEPOSIT

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
BANK OF COLUMBIA FALLS CD	11 250	10-10-80			200,000	200
BANK OF COLUMBIA FALLS CD	12 250	01-06-81			200,000	200
BANK OF COLUMBIA FALLS CD	13 500	10-14-80			200,000	15 300
BANK OF COLUMBIA FALLS CD	15 500	10-20-80			200,000	15 500
BANK OF COLUMBIA FALLS CD	10 000	05-15-81			500,000	10 000
BANK OF COLUMBIA FALLS CD	10 000	05-19-81			200,000	10 000
BANK OF COLUMBIA FALLS CD	10 000	05-27-81			300,000	10 000
BANK OF COLUMBIA FALLS CD	200 7 250	04-29-81			200,000	7 250
GLACIER NATL BANK COLUMBIA FALLS CD	500 12 750	10-24-80			500,000	12 750
GLACIER NATL BANK COLUMBIA FALLS CD	11 250	10-08-80			300,000	11 250
YELLOWSTONE BANK COLUMBUS CD	10 500	08-21-80			200,000	10 500
DEER LODGE BANK & TRUST CO	300 11 000	09-12-80			100,000	11 000
DEER LODGE BANK & TRUST CO	100 13 000	07-23-80			100,000	13 000
DEER LODGE BANK & TRUST CO	100 12 500	02-03-81			100,000	12 500
DEER LODGE BANK & TRUST CO	100 15 250	09-10-80			100,000	15 250
DEER LODGE BANK & TRUST CO	200 10 000	05-15-81			200,000	10 000
DEER LODGE BANK & TRUST CO	100 6 500	05-29-81			100,000	6 500
DEER LODGE BANK & TRUST CO	200 9 000	12-01-80			200,000	9 000
FIRST SECURITY BANK DEER LODGE CD	100 10 500	09-05-80			100,000	10 500
FIRST SECURITY BANK DEER LODGE CD	200 11 250	10-03-80			200,000	11 250
FIRST NATL BANK EKALAKA CD	100 11 000	02-11-80			100,000	11 000
FIRST NATL BANK EKALAKA CD	200 13 000	02-18-81			200,000	13 000
FIRST NATL BANK GLASGOW CD	400 7 250	10-10-80			400,000	7 250
FIRST NATL BANK GLASGOW CD	200 6 620	04-27-81			200,000	6 620
FIRST NATL BANK GLASGOW CD	200 6 770	C-1-26-82			200,000	6 770
FIRST NATL BANK GLASGOW CD	350 16 000	04-17-81			350,000	16 000
FIRST NATL BANK GLASGOW CD	500 10 500	05-08-81			500,000	10 500
FIRST NATL BANK GLENDALE CD	500 14 000	C-8-22-80			500,000	14 000
FIRST SECURITY BANK GLENDALE CD	300 15 500	10-20-80			300,000	15 500
FIRST FEDERAL SVGS & LOAN GREAT FALLS CD	100 7 520	04-08-81			100,000	7 520
MONTANA BANK GREAT FALLS CD	500 7 625	04-20-81			500,000	7 625
FIRST BANK WEST GREAT FALLS CD	200 7 250	10-03-80			200,000	7 250
FIRST BANK WEST GREAT FALLS CD	500 13 000	07-02-80			500,000	13 000
FIRST BANK WEST GREAT FALLS CD	600 12 500	01-07-81			600,000	12 500
FIRST BANK WEST GREAT FALLS CD	750 12 500	01-08-81			750,000	12 500
FIRST BANK WEST GREAT FALLS CD	500 9 000	12-01-80			500,000	9 000
FIRST BANK WEST GREAT FALLS CD	200 10 250	08-01-80			200,000	10 250
VILLAGE BANK GREAT FALLS CD	500 16 500	10-14-80			500,000	16 500
VILLAGE BANK GREAT FALLS CD	200 16 000	04-14-81			200,000	16 000
VILLAGE BANK GREAT FALLS CD	200 16 000	05-19-81			200,000	16 000
FIRST BANK HAVRE CD	100 7 670	01-08-81			100,000	7 670
FIRST SECURITY BANK HELENA CD	200 14 400	01-19-80			200,000	14 400
FIRST SECURITY BANK HELENA CD	600 15 250	C-2-20-81			600,000	15 250
FIRST SECURITY BANK HELENA CD	1,000 16 000	C-2-22-81			1,000,000	16 000
FIRST SECURITY BANK HELENA CD	250 7 375	C-1-02-81			250,000	7 375
NORTHWESTERN BANK HELENA CD	500 7 625	C-1-04-80			500,000	7 625
CONRAD NATIONAL BANK KALISPELL CD	10 12 5	C-1-05-80			10,000	12 5
CONRAD NATIONAL BANK KALISPELL CD	10 12 5	10-10-81			10,000	12 5

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	CUT	MARKET VALUE	YIELD
TIME CERTIFICATES OF DEPOSIT						
FIRST NORTHWESTERN BANK KALISPELL CD	100	04-08-01	100,000	100,000	100,000	7.375
FIRST NORTHWESTERN BANK KALISPELL CD	200	10-21-61	200,000	200,000	200,000	7.350
FIRST NORTHWESTERN BANK KALISPELL CD	200	10-21-61	200,000	200,000	200,000	7.180
FIRST FEDERAL SVGS & LOAN KALISPELL CD	1,000	03-15-80	1,000,000	1,000,000	1,000,000	10.125
FIRST FEDERAL SVGS & LOAN KALISPELL CD	1,000	02-11-61	1,000,000	1,000,000	1,000,000	12.750
FIRST FEDERAL SVGS & LOAN KALISPELL CD	1,000	C2-24-81	1,000,000	1,000,000	1,000,000	12.750
FIRST SECURITY BANK LAUREL CD	1100	7.250	10-28-80	100,000	100,000	7.250
FIRST SECURITY BANK LAUREL CD	100	7.250	10-28-61	100,000	100,000	7.250
FIRST BANK OF LINCOLN CD	100	12.500	01-29-81	100,000	100,000	12.500
FIRST BANK OF LINCOLN CD	100	9.000	11-26-60	100,000	100,000	9.000
FIRST SECURITY BANK LIVINGSTON CD	200	7.300	04-27-81	200,000	200,000	7.300
FIRST SECURITY BANK LIVINGSTON CD	100	7.800	04-27-62	100,000	100,000	7.800
FIRST SECURITY BANK LIVINGSTON CD	100	7.900	04-27-63	100,000	100,000	7.900
FIRST SECURITY BANK LIVINGSTON CD	300	10.250	06-14-80	300,000	300,000	10.250
FIRST SECURITY BANK LIVINGSTON CD	300	11.250	C9-30-80	300,000	300,000	11.250
FIRST SECURITY BANK LIVINGSTON CD	250	11.250	10-10-80	250,000	250,000	11.250
FIRST SECURITY BANK LIVINGSTON CD	400	15.000	C4-24-81	400,000	400,000	15.000
FIRST SECURITY BANK LIVINGSTON CD	300	10.500	05-08-81	300,000	300,000	10.500
FIRST SECURITY BANK LIVINGSTON CD	300	10.000	05-22-61	300,000	300,000	10.000
FIRST SECURITY & LOAN LIVINGSTON CD	100	7.750	04-24-61	100,000	100,000	7.750
EMPIRE FEDERAL SVGS & LOAN LIVINGSTON CD	150	7.800	05-08-81	150,000	150,000	7.800
FIRST CITIZENS BANK MILES CITY CD	250	7.950	05-07-82	250,000	250,000	7.950
FIRST CITIZENS BANK MILES CITY CD	250	8.050	05-09-83	250,000	250,000	8.050
FIRST CITIZENS BANK MILES CITY CD	150	11.750	05-06-81	150,000	150,000	11.750
FIRST CITIZENS BANK MILES CITY CD	500	10.500	05-14-81	500,000	500,000	10.500
FIRST CITIZENS BANK MILES CITY CD	1,000	16.850	09-03-80	1,000,000	1,000,000	16.850
FIRST SECURITY BANK MILES CITY CD	1,000	16.250	03-06-81	1,000,000	1,000,000	16.250
FIRST NATIONAL MONTANA BANK MISSOULA CD	500	7.000	10-24-80	500,000	500,000	7.000
FIRST NATIONAL MONTANA BANK MISSOULA CD	500	7.900	10-27-81	500,000	500,000	7.900
FIRST NATIONAL MONTANA BANK MISSOULA CD	250	6.750	05-22-81	250,000	250,000	6.750
FIRST NATIONAL MONTANA BANK MISSOULA CD	500	7.750	05-15-61	500,000	500,000	7.750
FIRST NATIONAL MONTANA BANK MISSOULA CD	1,000	15.500	10-20-80	1,000,000	1,000,000	15.500
FIRST NATIONAL MONTANA BANK MISSOULA CD	1,250	10.000	11-19-80	250,000	250,000	10.000
FIRST BANK SOUTHSIDE MISSOULA CD	100	7.000	10-30-80	100,000	100,000	7.000
FIRST BANK SOUTHSIDE MISSOULA CD	100	7.250	10-08-61	100,000	100,000	7.250
FIRST BANK WESTERN MONTANA MISSOULA CD	2,500	9.000	12-08-80	2,500,000	2,500,000	9.000
WESTERN FEDERAL SVGS & LOAN MISSOULA CD	100	7.250	10-07-80	100,000	100,000	7.250
TOOLE COUNTY STATE BANK SHELBY CD	200	11.250	10-08-80	200,000	200,000	11.250
TOOLE COUNTY STATE BANK SHELBY CD	100	16.500	09-22-80	100,000	100,000	16.500
BANK OF SHERIDAN CD	100	19.450	07-25-80	100,000	100,000	19.450
BANK OF SHERIDAN CD	100	12.250	01-21-81	100,000	100,000	12.250
BANK OF SHERIDAN CD	100	12.500	01-20-81	100,000	100,000	12.500
BANK OF SHERIDAN CD	200	12.750	02-12-81	200,000	200,000	12.750
FIRST UNITED BANK SIDNEY CD	700	14.250	02-25-81	700,000	700,000	14.250
MONTANA BANK OF SIDNEY CD	500	17.000	01-01-80	500,000	500,000	17.000
MONTANA BANK OF SIDNEY CD	500	7.250	10-19-81	500,000	500,000	7.250
MONTANA BANK OF MINERAL CNTY SUPERIOR CD	500	10.500	10-21-80	100,000	100,000	10.500
MONTANA BANK OF MINERAL CNTY SUPERIOR CD	100	12.500	12-26-80	100,000	100,000	12.500

SHORT TERM INVESTMENT POOL

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
TIME CERTIFICATES OF DEPOSIT						
FIRST NATIONAL BANK TWIN BRIDGES CD	100	15.500	10-22-80	100,000	100,000	15.500
FIRST NATIONAL BANK WHITEFISH CD	500	7.750	04-28-81	500,000	500,000	7.750
FIRST NATIONAL BANK WHITEFISH CD	500	9.000	06-05-81	500,000	500,000	9.000
FIRST STATE BANK WHITEFISH CD	200	10.250	07-24-80	200,000	200,000	10.250
FIRST STATE BANK WHITEFISH CD	100	11.250	10-07-80	100,000	100,000	11.250
FIRST STATE BANK WHITEFISH CD	500	8.500	12-22-80	500,000	500,000	8.500
WESTERN NATIONAL BANK WOLF POINT CD	300	11.250	10-07-80	300,000	300,000	11.250
SUBCLASS TOTAL				60,250	60,250,000	
US BANKERS ACCEPTANCE						
BANKERS ACCEPTANCES BANK OF AMERICA SF	3,000	8.450	08-14-80	2,964,792	2,967,183	8.450
BANKERS ACCEPTANCES BANKERS TRUST CO NY	2,000	12.820	07-02-80	1,890,312	1,999,017	12.820
BANKERS ACCEPTANCES FIRST NATL BOSTON	2,000	11.000	07-09-80	1,961,500	1,995,575	11.000
BANKERS ACCEPTANCES CHASE MANHATTAN NY	1,000	12.900	07-07-80	943,383	926,279	12.900
BANKERS ACCEPTANCES CITIBANK NY	1,000	8.500	08-12-80	988,667	989,543	8.500
BANKERS ACCEPTANCES CONT ILL CHICAGO	1,000	12.850	07-01-80	945,368	999,754	12.850
SUBCLASS TOTAL				10,000	9,694,043	
SECURITY TOTAL				108,720	107,057,096	106,169,476
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY NOTES	700	8.750	11-15-80	343,118	654,719	10.200
US TREASURY NOTES	2,000	10.125	09-30-81	1,958,750	2,031,250	11.319
US TREASURY NOTES	2,000	10.125	09-30-81	1,995,625	2,031,250	10.250
US TREASURY NOTES	1,000	11.375	12-31-81	903,125	1,034,375	11.773
US TREASURY NOTES	1,000	11.500	01-31-82	954,063	1,035,625	11.642
US TREASURY NOTES	1,000	11.500	01-31-82	1,967,500	2,071,250	11.447
US TREASURY NOTES	2,000	11.875	08-15-83	3,015,000	3,197,810	11.573
US TREASURY NOTES	3,000	11.875	05-15-87	5,000,000	5,461,250	12.000
US TREASURY NOTES	5,000	12.000	02-29-82	1,979,375	3,145,000	12.427
US TREASURY NOTES	2,000	12.875	05-31-82	1,010,000	1,004,063	12.375
SUBCLASS TOTAL				19,700	19,546,556	20,635,526
SECURITY TOTAL				19,700	19,546,556	20,635,526

SHORT TERM INVESTMENT POOL

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL FARM CREDIT BANKS	8,900	9.000	01-20-82	1,917,500	1,922,500	11.228
FEDERAL FARM CREDIT BANKS	2,000	9.000	01-23-64	1,955,000	1,952,500	9.731
FEDERAL FARM CREDIT BANKS	2,000	8.450	12-01-80	2,000,000	1,998,125	8.450
FEDERAL FARM CREDIT BANKS	2,000	10.950	10-20-32	1,973,750	2,060,000	11.509
FEDERAL FARM CREDIT BANKS	2,000	10.950	10-23-82	1,981,875	2,060,000	11.330
FEDERAL FARM CREDIT BANKS	1,000	10.900	01-21-55	1,979,063	1,035,000	11.462
FEDERAL FARM CREDIT BANKS	1,000	10.900	01-21-35	679,594	1,035,000	11.475
FEDERAL FARM CREDIT BANKS	1,000	10.900	01-21-35	609,407	1,035,000	13.498
FEDERAL FARM CREDIT BANKS	1,000	10.950	01-22-30	684,063	1,026,750	11.219
FEDERAL FARM CREDIT BANKS	2,000	10.950	01-22-20	1,069,063	2,057,500	11.211
FEDERAL FARM CREDIT BANKS	3,000	13.400	C4-20-83	3,015,000	3,262,500	10.192
FEDERAL FARM CREDIT BANKS	2,000	12.650	04-20-80	2,007,500	2,252,500	12.572
FEDERAL HOME LOAN BANKS	1,000	9.300	08-25-83	920,094	987,500	9.408
FEDERAL HOME LOAN BANKS	1,000	9.300	06-25-83	956,094	937,500	9.406
FEDERAL HOME LOAN BANKS	1,000	11.000	05-25-84	976,125	1,028,750	11.623
FEDERAL HOME LOAN BANKS	1,000	11.600	05-25-83	1,000,000	1,048,750	11.603
FEDERAL HOME LOAN BANKS	1,000	11.600	05-25-63	1,000,000	1,043,750	11.600
FEDERAL HOME LOAN BANKS	2,000	12.250	08-25-03	2,000,000	2,126,000	12.250
FEDERAL HOME LOAN BANKS	1,000	15.800	07-27-81	1,000,000	1,071,675	15.000
FEDERAL HOME LOAN BANKS	2,000	9.650	C3-25-84	2,000,000	2,002,500	9.821
FEDERAL HOME LOAN BANKS	2,000	9.050	03-26-34	2,015,000	2,002,500	9.603
FEDERAL HOME LOAN BANKS	2,000	10.450	02-25-87	2,010,000	2,017,500	10.339
FEDERAL HOME LOAN BANKS	2,000	10.450	C2-25-87	2,010,000	2,017,500	10.339
FEDERAL HOME LOAN BANKS	1,000	9.375	12-27-88	954,300	954,825	10.179
FEDERAL HOME LOAN BANKS	3,000	9.375	12-27-88	2,865,000	2,964,475	10.165
FEDERAL NATIONAL MORTGAGE ASSOCIATION	2,000	8.200	03-10-86	1,855,000	1,832,500	8.872
FEDERAL NATIONAL MORTGAGE ASSOCIATION	500	8.200	04-10-84	500,000	472,500	8.200
FEDERAL NATIONAL MORTGAGE ASSOCIATION	500	8.200	04-10-84	500,000	472,500	8.200
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000	8.200	04-10-84	1,000,000	945,000	8.200
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000	8.750	04-11-63	1,000,000	980,000	8.750
FEDERAL NATIONAL MORTGAGE ASSOCIATION	2,000	8.850	C7-10-61	1,939,375	1,889,750	9.365
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000	9.250	10-10-63	932,220	927,500	9.519
FEDERAL NATIONAL MORTGAGE ASSOCIATION	2,000	9.500	C3-10-56	1,905,000	1,947,500	9.392
FEDERAL NATIONAL MORTGAGE ASSOCIATION	3,000	9.750	C9-10-34	2,910,000	2,992,500	10.304
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000	11.700	C2-11-65	910,000	1,055,625	14.319
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,250	15.250	02-10-82	1,250,000	1,253,125	15.250
FEDERAL NATIONAL MORTGAGE ASSOCIATION	3,000	14.250	05-10-64	3,000,000	3,393,750	14.250
SUBCLASS TOTAL	59,250				56,368,275	
SECURITY TOTAL	59,250				53,368,273	60,350,050
FUND TOTAL	212,150				209,196,112	213,693,671

SECURITY	PAR VALUE (1000)	INTEREST RATE	MATURITY DATE	CCST	MARKET VALUE	YIELD
CORPORATE BONDS INDUSTRIAL						
ALLIED CHEMICAL	492	7.875	09-01-96	489,566	397,241	7.944
AMERICAN CYANAMID	200	8.375	03-15-06	272,157	242,220	8.000
ATLANTIC RICHFIELD	500	7.750	12-15-03	497,356	404,100	8.420
ATLANTIC RICHFIELD	200	7.750	12-15-03	200,000	155,169	7.750
BEDARCO INC ARCO INDEPENDENCE PP	115	7.750	12-15-03	115,000	89,217	7.750
BETHLEHEM STEEL	990	8.750	12-01-01	990,000	825,165	8.750
BORDEN	1,000	8.375	03-01-01	993,793	754,900	8.450
CATERPILLAR TRACTOR	500	9.375	06-15-09	500,000	445,650	9.375
CATERPILLAR TRACTOR	300	5.600	05-01-99	300,000	254,610	5.600
CENTRAL SOYA CO INC	100	8.500	05-01-99	100,000	84,670	8.600
CONTINENTAL OIL	500	7.500	08-01-97	249,573	190,625	7.522
COUNTRYWIDE STATIONS INC PP	448	8.675	06-01-01	498,954	422,800	8.900
CROWN ZELLERBACH SOUTH TIMBER CORP PP	349	8.125	12-01-01	446,000	340,346	7.750
CROWN ZELLERBACH SOUTH TIMBER CORP PP	500	8.125	05-01-94	348,099	275,404	8.125
DOW CHEMICAL CO	500	8.625	02-15-08	496,311	405,400	8.700
DRESSER INDUSTRIES	500	3.550	05-15-85	500,000	455,000	6.500
DUPONT	500	3.500	05-01-06	500,000	409,550	6.500
GENERAL MILLS	500	9.375	03-01-09	495,447	439,100	9.469
HALLIBURTON CO	500	9.250	04-01-00	490,023	452,050	9.302
HONEYWELL	500	9.375	06-15-09	500,000	435,150	9.375
HOOKER CHEMICAL PP	468	10.500	06-29-96	436,060	445,593	10.500
HOOKER CHEMICAL PP	22	10.500	06-29-96	121,850	20,801	10.500
INGERSOLL RAND CO	500	8.750	05-01-85	499,275	467,350	8.793
INLAND STEEL	500	7.900	01-15-07	500,000	364,000	7.900
I B M	500	9.375	10-01-04	451,864	461,250	10.500
I B M	1,000	9.375	10-01-04	830,389	922,500	11.353
INTERNATIONAL HARVESTER	500	9.000	06-15-04	496,604	351,900	9.076
INTERNATIONAL MINERALS & CHEMICAL CO	500	9.350	11-01-00	500,000	424,550	9.350
INTERNATIONAL PAPER CO	500	6.850	12-15-00	500,000	426,780	8.850
KEWANEE OIL CO	400	7.625	05-15-97	400,000	290,520	7.625
KRAFT INC	500	7.600	01-15-07	500,000	365,250	7.600
MARATHON OIL	200	6.500	11-01-06	199,122	164,420	6.500
MARATHON OIL	500	6.500	11-01-06	497,804	411,050	6.500
J RAY McDERMOTT & CO	500	9.625	03-15-04	498,813	433,000	9.651
MOBIL CORPORATION	500	8.500	05-15-01	485,249	412,500	8.650
MONTGOMERY WARD CREDIT	500	9.375	05-15-94	469,115	474,000	9.434
NL INDUSTRIES	500	9.375	07-01-00	500,000	431,250	9.375
NABISCO INC	250	7.750	11-01-03	348,637	269,115	7.790
PHILIP MORRIS PP	1,000	8.375	11-30-98	1,000,000	823,500	8.875
PHILIPS PETROLEUM	500	8.675	11-15-00	500,000	471,000	8.875
RJ REYNOLDS INDUSTRIES	500	8.000	01-15-07	500,000	390,600	8.000
SEARS ROEBUCK & CO	500	8.200	01-01-05	905,924	382,000	8.200
SHELL OIL	500	6.750	05-15-05	495,657	417,450	6.21
SHELL OIL BT ALASKA PP	500	6.500	03-14-01	388,500	333,462	6.000
SHELL OIL JUST ATLANTIC PP	472	9.300	03-07-02	471,605	9.795	9.300

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
SMITH INTERNATIONAL	500	9.850	05-15-04	500,000	453,550	9.550
STANDARD OIL OF CALIFORNIA PP VESSEL	170	333	01-01-99	333,335	249,201	7.500
STANDARD OIL OF CALIFORNIA PP	950	8.500	07-02-99	950,000	784,690	6.500
STANDARD OIL OF CALIFORNIA PP VESSEL	173	333	01-01-99	333,335	247,068	7.500
SYSTEMS BUILDING CORP PP	691	3,000	07-01-97	691,414	526,926	8.000
TEXACO INC	500	6.500	04-01-06	496,781	407,750	6.569
TEXACO INC	500	8.500	04-01-06	496,781	407,750	6.569
UNION OIL CO OF CALIFORNIA	1,000	8.625	03-01-06	993,579	830,300	6.695
UNION OIL CO OF CALIFORNIA	400	8.625	03-01-06	397,431	332,120	6.695
UNION OIL CO OF CALIFORNIA PP	500	7.500	C1-01-98	500,000	373,000	7.500
WEYERHAEUSER CO	500	7.950	08-15-06	498,356	383,300	7.980
WEYERHAEUSER CO	300	7.950	08-15-06	299,014	229,980	7.980
WITCO CHEMICAL	500	9.500	08-15-05	496,179	436,650	9.536
SUBCLASS TOTAL				30,443	30,134,409	25,200,354
BANKS AND INSURANCE						
ACTNA LIFE & CASUALTY CO	500	8.125	10-15-07	497,724	384,800	8.169
ACTNA LIFE & CASUALTY CO	500	8.125	10-15-07	497,724	384,800	8.169
BANKAMERICA CORP	500	7.875	12-01-03	317,256	369,450	12.915
BANKERS TRUST NEW YORK CORP	500	8.625	11-01-02	498,681	369,650	6.549
BERKSHIRE HATHAWAY INC PP	442	8,000	03-01-03	442,000	348,605	3,000
CHEMICAL NEW YORK	500	8.250	08-01-02	497,655	376,300	8.300
CITICORP NOTES	500	8.450	03-15-07	498,529	383,800	8.500
CITICORP NOTES	700	8.450	C3-15-07	475,771	537,320	12.700
CROCKER NATIONAL	500	8.500	12-01-02	497,754	384,100	8.648
DOMINION BANKSHARES	300	7.750	11-15-96	300,000	212,640	7.750
FIRST NATIONAL BANK ARIZONA	500	7.700	04-01-97	439,154	252,500	7.722
FIRST SECURITY CORPORATION PP	500	8.500	10-01-97	500,000	382,300	8.500
INDUSTRIAL NATIONAL CORPORATION NOTES	500	7.400	07-01-81	500,000	481,300	7.400
MANUFACTURERS HANOVER	500	8.125	08-15-07	497,171	369,750	6.100
SAFECO CORP	400	7.600	12-15-86	400,000	340,000	7.000
SAFECO CORP	100	7.600	12-15-86	100,000	85,000	7.600
WESTERN BANCORP	1,000	12.250	05-15-10	992,024	1,000,000	12.350
SUBCLASS TOTAL				8,442	8,011,643	6,751,915
OTHER FINANCIAL						
AVCO FINANCIAL SERVICES	250	7.875	C5-01-92	248,506	193,450	7.976
AVCO FINANCIAL SERVICES	500	7.625	12-01-97	500,000	370,300	7.625
BENEFICIAL CORP	500	8.300	06-01-03	500,000	373,300	8.300
BENEFICIAL CORP	500	8.350	02-15-98	500,000	436,500	8.350

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	P/R VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
OTHER FINANCIAL						
CHANNELVIEW LEASING CO PP	9.250	7.750	07-15-96	500,000	420,050	9.250
COMMERCIAL CREDIT CORPORATION	500	8.000	02-15-92	497,038	376,100	7.351
COMMERCIAL CREDIT CORPORATION	500	8.000	01-15-91	500,000	491,900	8.000
FORD MOTOR CREDIT	500	3.375	05-01-84	499,041	452,450	6.439
GENERAL ELECTRIC CREDIT	500	8.875	06-01-82	500,000	438,200	8.615
GENERAL MOTORS ACCEPTANCE CORP	500	7.350	01-15-87	500,000	429,950	7.350
GENERAL MOTORS ACCEPTANCE CORP	500	8.000	01-15-02	500,000	382,100	8.000
GENERAL MOTORS ACCEPTANCE CORP	500	8.000	07-15-07	496,055	376,150	8.078
GENERAL MOTORS ACCEPTANCE CORP	500	8.250	11-15-06	498,863	386,450	8.272
GENERAL MOTORS ACCEPTANCE CORP	500	8.650	02-15-02	500,000	424,000	8.650
GENERAL MOTORS ACCEPTANCE CORP	1,000	12.000	02-01-05	920,161	1,025,020	12.127
HELLER WALTER E CO	500	7.750	04-01-92	497,769	380,660	7.825
HONEYWELL FINANCE	500	8.200	12-15-93	500,000	377,750	8.200
HONEYWELL FINANCE	500	9.600	11-01-81	500,000	496,100	9.650
HOUSEHOLD FINANCE CORP	150	7.750	19-01-92	150,000	111,285	7.750
HOUSEHOLD FINANCE CORP	500	8.375	10-01-03	496,554	387,650	8.450
INTERNATIONAL HARVESTER CREDIT	500	8.625	08-01-91	500,000	373,300	8.625
INTERNATIONAL HARVESTER CREDIT	500	7.500	01-15-94	496,387	351,150	7.500
NATIONAL RURAL UTILITIES	500	2.750	04-01-93	437,699	426,800	9.800
NATIONAL RURAL UTILITIES	1,000	9.750	05-01-09	995,332	653,600	9.800
JC PENNEY FINANCIAL CORP	100	7.875	29-15-91	99,715	76,500	7.925
JC PENNEY FINANCIAL CORP	200	7.875	02-15-91	196,429	157,000	7.925
TRANSAMERICA FINANCIAL CORP	500	7.875	11-01-91	497,846	293,250	7.951
SUBCLASS TOTAL	13,200			13,162,397	11,026,335	
TRANSPORTATION EXCL. RAILROADS						
CALIFORNIA & HAWAII SUGAR CO PP	8.250	8.275	08-24-93	410,192	310,506	6.250
COLONIAL PIPELINE PP	457	7.875	03-01-02	457,000	347,046	7.375
EXXON PIPELINE CO NOTES	500	6.050	10-15-89	500,000	487,560	6.050
LAKEHEAD PIPELINE	200	7.600	06-15-97	200,000	149,760	7.600
MICHIGAN WISCONSIN PIPELINE	200	3.750	04-15-86	181,320	161,740	7.656
OHIO BP TRANS ALASKA PIPELINE	500	9.750	12-01-99	528,958	458,350	9.058
SUBCLASS TOTAL	2,267			2,277,460		
RAILROADS						
AMERICAN RAIL BOX CAR PP	9.125	11-01-90	320,910	349,434	9.125	
ATCHISON TOPEKA & SANTA FE RR PP	1,011	1.625	09-10-90	903,097	8,625	
BURLINGTON NORTHERN	500	6.000	01-15-99	367,500	8,600	
GENERAL AMERICAN TRANSPORTATION	500	8.700	05-01-91	493,250	8,500	
GENERAL AMERICAN TRANSPORTATION	500	8.150	06-01-97	333,150		

SECURITY	PAR VALUE (OO)	INTEREST RATE	MATURITY DATE	COST	MAR-ET VALUE	YIELD
RAILROADS						
MISSOURI PACIFIC RR PP	933	9.750	06-01-94	933,333	815,267	2.750
ST LOUIS SOUTHWESTERN RY PP	500	9.000	08-01-91	500,000	435,200	0.000
SOUTHERN RR	400	7.375	11-15-91	391,261	295,640	7.720
TRAILER TRAIN EQUIP TRUST PP	433	11.250	07-15-89	432,835	425,607	11.250
TRAILER TRAIN PP	500	8.750	04-01-89	500,000	424,000	3.750
UNION PACIFIC RR	500	8.600	05-01-83	500,000	480,000	8.500
UNION PACIFIC RR	500	6.400	03-01-01	500,000	365,000	6.400
UNION PACIFIC RR EQUIP TRUST	500	7.700	01-01-92	500,000	409,150	7.700
SUBCLASS TOTAL	7,158			7,149,263	6,162,205	
UTILITIES						
ALABAMA POWER CO	500	10.500	12-01-05	500,000	412,600	0.000
AMERICAN TEL & TEL	100	2.750	06-01-80	99,910	99,550	4.340
AMERICAN TEL & TEL	100	5.625	08-01-95	100,376	65,250	5.582
AMERICAN TEL & TEL	400	5.625	08-01-95	401,500	261,500	5.579
AMERICAN TEL & TEL	225	5.625	08-01-95	200,224	146,615	7.116
AMERICAN TEL & TEL	150	4.375	10-01-95	149,667	51,705	7.329
AMERICAN TEL & TEL	100	4.750	06-01-98	104,012	55,810	6.671
AMERICAN TEL & TEL	400	4.375	05-01-99	401,656	207,100	4.320
AMERICAN TEL & TEL	65	4.375	05-01-99	64,698	33,735	4.417
AMERICAN TEL & TEL	31	4.375	05-01-99	30,554	16,089	4.083
ARIZONA PUBLIC SERVICE	700	7.450	03-15-02	700,000	467,410	7.450
ARKANSAS LOUISIANA GAS	500	9.100	10-01-98	500,000	421,250	9.100
ATLANTIC CITY ELECTRIC	225	4.375	03-01-93	225,955	126,000	4.323
BALTIMORE GAS & ELECTRIC	200	4.500	07-15-94	201,275	112,380	4.426
BALTIMORE GAS & ELECTRIC	400	8.375	09-15-06	402,836	309,640	8.300
BALTIMORE GAS & ELECTRIC	500	9.375	07-01-08	500,000	423,710	9.375
BELL TELEPHONE CO OF PENNSYLVANIA	200	6.750	05-01-03	200,000	133,300	6.750
BELL TELEPHONE CO OF PENNSYLVANIA	250	8.000	08-01-09	260,244	120,300	7.578
BELL TELEPHONE CO OF PENNSYLVANIA	500	8.625	07-01-06	524,342	405,450	8.074
BOSTON EDISON CO	23	3,000	08-01-84	21,921	16,560	4.308
BOSTON EDISON CO	143	4.625	06-01-87	134,603	95,638	6.052
BOSTON EDISON CO	350	4.750	11-01-95	352,657	179,080	4.660
CAROLINA POWER & LIGHT	50	6.375	10-01-98	47,511	34,180	4.429
CENTRAL ILLINOIS LIGHT	125	9.125	06-01-00	126,712	100,050	6.211
CENTRAL ILLINOIS LIGHT	500	9.250	05-01-05	426,764	406,954	4.515
CENTRAL ILLINOIS PUBLIC SERVICE	115	4.500	05-01-94	115,722	64,640	4.515
CENTRAL ILLINOIS PUBLIC SERVICE	500	13.625	02-01-10	500,000	547,474	13.625
CENTRAL POWER & LIGHT	500	6.450	10-01-07	446,501	366,600	6.450
CENTRAL POWER & LIGHT	100	12.375	01-01-10	100,000	947,500	12.375
CENTRAL TELEPHONE CO OF DELAWARE	200	7,600	10-01-97	200,000	146,000	7.600
CENTRAL TELEPHONE CO OF DELAWARE	300	7,600	10-01-97	300,000	219,750	7.600
CHESAP & POTOMAC TEL MARYLAND	50	12.5	12-01-93	51,786	33,600	6.600
CHESAP & POTOMAC TEL MARYLAND	220	6.625	10-01-03	220,588	144,396	6.600

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
CHESSAP & POTOMAC TEL MARYLAND	195	6.625	10-01-08	195,517	127,979	6.599
CHESSAP & POTOMAC TEL MARYLAND	200	6.625	10-01-08	200,530	131,250	6.599
CHESSAP & POTOMAC TEL MARYLAND	500	6.875	06-01-09	529,510	413,200	6.270
CHESSAP & POTOMAC TEL VIRGINIA	200	5.250	05-01-05	202,139	110,260	5.159
CHESSAP & POTOMAC TEL VIRGINIA	700	5.625	03-01-07	601,719	401,600	5.039
CHESSAP & POTOMAC TEL VIRGINIA	250	5.625	03-01-07	253,115	143,450	5.518
CHESSAP & POTOMAC TEL VIRGINIA	265	6.750	08-01-08	265,465	175,907	6.731
CHESSAP & POTOMAC TEL VIRGINIA	100	4.375	02-01-03	99,704	52,380	4.403
CHEAPEAKE & POTOMAC TEL WASHINGTON	400	7.250	05-01-09	402,014	277,000	7.199
CHEAPEAKE & POTOMAC TEL WEST VIRGINIA	100	5.000	05-15-15	92,613	68,360	9.659
CHEAPEAKE & POTOMAC TEL	500	7.375	08-01-11	498,733	350,650	7.400
CINCINNATI BELL TEL	200	7.375	05-01-99	200,999	137,260	7.312
CINCINNATI GAS & ELECTRIC	100	2.750	09-01-95	92,928	66,500	4.334
CLEVELAND ELECTRIC	140	7.125	01-15-90	140,908	105,000	6.997
COLUMBIA GAS SYSTEM	200	7.500	05-01-98	169,740	150,740	9.300
COLUMBIA GAS SYSTEM	600	10.250	05-01-99	469,251	539,280	12.902
COLUMBIA GAS SYSTEM	500	11.750	10-01-99	496,331	500,000	11.848
COMMONWEALTH EDISON	25	4.250	03-21-87	54,757	53,761	4.318
COMMONWEALTH EDISON	215	4.250	03-01-87	199,360	146,630	5.938
COMMONWEALTH EDISON	100	4.625	03-01-90	101,101	63,250	4.438
COMMONWEALTH EDISON	100	4.625	03-01-90	101,096	63,250	4.460
COMMONWEALTH EDISON	400	6.750	03-01-05	400,000	311,600	6.750
COMMONWEALTH EDISON	500	3.125	01-15-07	497,785	363,900	3.170
COMMONWEALTH EDISON	500	6.250	12-01-07	490,852	368,350	6.434
COMMONWEALTH EDISON	500	9.125	10-15-08	491,741	402,050	9.233
COMMONWEALTH EDISON PP	1,000	9.125	06-01-98	1,000,000	867,200	9.125
CONNECTICUT LIGHT & POWER	212	6.875	10-01-98	210,708	139,636	6.349
CONNECTICUT LIGHT & POWER	270	6.875	10-01-98	267,480	177,676	6.988
CONSOLIDATED EDISON NY	250	7.900	04-15-02	250,000	181,575	7.500
CONSOLIDATED EDISON NY	200	7.900	04-15-02	197,440	145,250	8.056
CONSOLIDATED EDISON NY	200	7.200	04-15-02	197,800	145,260	8.033
CONSOLIDATED EDISON NY	250	7.900	04-15-02	247,714	181,575	8.011
CONSOLIDATED NATURAL GAS	200	7.750	10-01-96	171,345	151,500	9.550
CONSOLIDATED NATURAL GAS	500	9.250	07-01-95	500,000	453,300	9.250
CONSOLIDATED NATURAL GAS	10,625	07-01-99	1,500,000	1,399,500	10.625	14.331
CONSUMERS POWER PP	40	4.625	08-01-89	40,515	24,600	16.815
CONSUMERS POWER	50	5.875	05-01-96	50,220	31,875	11.375
CONSUMERS POWER	285	11.375	03-01-94	265,000	263,200	11.375
DELAWARE POWER & LIGHT	200	4.625	10-01-94	202,278	103,000	4.492
DETROIT EDISON	605	9.000	12-01-96	71,3,908	498,750	8.246
DETROIT EDISON	500	9.875	05-01-04	490,562	100,186	4.509
DIAMOND STATE TEL	100	4.625	09-01-03	5375	44-91-97	200,901
DUKE POWER	200	5.375	02-01-98	175,841	115,045	6.317
DUKE POWER	175	6.375	01-01-98	299,001	200,250	7.040
DUQUESNE LIGHT	300	7.000	01-01-98	247,094	173,950	7.641
DUQUESNE LIGHT	245	7.750	01-01-98	350,000	274,750	8.750
DUQUESNE LIGHT	350	6.750	03-01-03	494,523	444,450	10.244
DUQUESNE LIGHT	500	10.125	02-01-08	1263,200	108,000	4.492

SECURITY	FAIR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
EL PASO ELECTRIC PP	2,000	9.250	05-01-04	2,000,000	1,823,400	9.950
EQUITABLE GAS	433	8.000	06-15-97	433,000	334,103	8.000
FLORIDA POWER & LIGHT	250	4.625	04-01-94	253,603	141,975	4.455
FLORIDA POWER & LIGHT	200	5.000	12-01-95	141,333	114,260	5.204
FLORIDA POWER & LIGHT	300	7.750	09-01-01	303,767	213,580	7.588
FLORIDA POWER CORP	200	9.000	11-01-00	204,549	162,500	8.690
GENERAL TEL CALIFORNIA	2,000	10.750	10-01-09	1,953,649	1,242,600	11.022
GENERAL TEL MIDWEST	500	7.625	01-01-03	500,000	351,503	7.625
GENERAL TEL SOUTHWEST	300	7.500	10-01-02	297,379	208,680	7.600
GEORGIA POWER	300	7.375	03-01-01	295,183	192,140	7.503
GEORGIA POWER	300	7.500	12-01-02	300,000	189,390	7.500
GULF POWER	200	7.500	12-01-02	200,000	126,260	7.500
GULF POWER	200	4.625	10-01-94	146,334	106,760	8.259
GULF STATES UTILITIES	1,000	15.000	02-01-10	268,122	1,123,800	15.500
HOUSTON LIGHTING & POWER	250	6.750	10-01-93	239,567	162,197	7.266
IDAHO POWER	50	6.750	11-01-97	50,514	24,375	6.622
IDAHO POWER	100	4.500	10-15-88	100,464	65,500	4.416
IDAHO POWER	100	4.500	11-01-91	100,904	53,680	4.374
ILLINOIS BELL TEL	500	9.000	08-15-98	497,070	402,500	9.000
ILLINOIS GAS AND ELECTRIC	35	4.250	03-01-68	32,189	24,150	6.015
INDIANA & MICHIGAN ELECTRIC	215	4.375	06-01-93	215,129	108,575	4.367
INDIANA BELL TEL	450	4.375	06-01-03	451,392	218,835	4.348
INDIANA BELL TEL	200	5.500	04-01-07	201,179	113,260	5.442
INTERNATIONAL TEL & TEL	1,000	12.625	02-01-05	913,680	1,035,000	15.660
IAWA ILLINOIS GAS AND ELECTRIC	500	8.750	04-01-06	498,926	400,650	8.770
IAWA PUBLIC SERVICE	200	7.375	06-01-02	196,337	140,750	7.563
IAWA PUBLIC SERVICE	1,000	9.750	09-01-09	985,409	876,390	9.507
JERSEY CENTRAL POWER & LIGHT	500	8.000	11-01-01	504,506	260,000	7.660
KANSAS CITY POWER & LIGHT	225	5.750	05-15-97	225,510	138,105	5.723
KANSAS CITY POWER & LIGHT	200	6.750	04-01-98	201,417	135,260	6.661
KANSAS CITY POWER & LIGHT	260	7.125	02-01-99	261,171	181,350	7.060
KENTUCKY POWER	500	5.125	01-01-96	429,655	292,500	7.674
KENTUCKY UTILITIES	500	9.625	08-01-09	500,000	431,900	9.625
ENSEARCH	200	7.500	12-01-96	199,669	144,000	7.522
MICHIGAN BELL TEL	300	7.500	12-01-96	299,503	216,000	7.500
MICHIGAN BELL TEL	450	6.375	02-01-05	447,904	290,205	6.419
MICHIGAN BELL TEL	175	6.375	02-01-05	175,986	112,356	6.319
MICHIGAN CONSOLIDATED GAS	200	9.600	10-01-08	214,107	175,720	8.640
MINNESOTA POWER & LIGHT	30	4.500	03-15-88	30,250	20,100	4.364
MINNESOTA POWER & LIGHT	500	10.500	08-01-05	500,000	448,750	10.500
MINNESOTA POWER & LIGHT	500	3.700	09-01-06	500,000	386,900	8.700
MINNESOTA POWER & LIGHT	500	8.250	09-01-07	500,000	375,000	8.350
MISSISSIPPI POWER & LIGHT	500	6.350	09-01-07	500,000	307,000	6.350
MISSISSIPPI POWER & LIGHT	500	7.750	05-01-02	500,000	138,000	7.750
MONTANA POWER	21	4.500	04-01-89	211,100	13,388	4.414
MONTANA POWER	200	4.500	04-01-89	200,969	127,500	4.414
MONTANA POWER	200	4.500	04-01-89	200,969	127,500	4.414

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST		MARKET VALUE
				YIELD	YIELD	
UTILITIES						
MONTANA POWER	400	7.500	04-01-01	400,000	276,520	3,500
MONTANA POWER	500	8.625	03-01-04	501,049	387,500	3,503
MONTANA POWER	500	9.600	07-01-05	500,000	416,900	3,600
MONTANA POWER	500	9.875	01-01-09	496,606	360,000	3,619
MONTANA POWER	500	9.375	01-01-09	496,606	380,000	3,619
MOUNTAIN STATES TEL & TEL	100	4.375	02-01-88	99,733	69,630	4,451
MOUNTAIN STATES TEL & TEL	100	4.375	02-01-88	92,657	69,630	4,564
MOUNTAIN STATES TEL & TEL	100	4.375	02-01-88	98,822	68,630	4,602
MOUNTAIN STATES TEL & TEL	200	5.000	04-01-00	205,430	111,600	4,756
MOUNTAIN STATES TEL & TEL	100	5.500	06-01-05	100,572	57,250	5,440
MOUNTAIN STATES TEL & TEL	160	6.000	08-01-07	154,684	97,008	5,309
MOUNTAIN STATES TEL & TEL	200	6.000	09-01-07	200,000	121,260	5,250
MOUNTAIN STATES TEL & TEL	300	6.000	08-01-07	200,000	181,690	5,000
MOUNTAIN STATES TEL & TEL	500	6.700	09-01-81	500,000	466,650	5,700
MOUNTAIN STATES TEL & TEL	500	8.625	04-01-18	495,260	401,650	2,710
MOUNTAIN STATES TEL & TEL	1,000	11.250	11-01-19	1,000,000	985,000	11,250
MOUNTAIN STATES TEL & TEL	1,000	4.625	04-01-29	101,664	53,900	4,464
MOUNTAIN STATES TEL & TEL	200	6.125	10-01-06	201,402	122,140	5,000
MOUNTAIN STATES TEL & TEL	950	6.125	10-01-06	728,706	564,715	5,000
MOUNTAIN STATES TEL & TEL	350	6.125	10-01-06	350,000	215,605	5,000
NEW ENGLAND TEL & TEL	150	5.875	12-01-06	151,440	90,195	5,780
NEW ENGLAND TEL & TEL	300	6.625	04-01-06	301,125	197,250	5,730
NEW ENGLAND TEL & TEL	1,040	7.250	04-01-11	1,019,479	731,640	5,717
NEW YORK STATE ELECTRIC & GAS	1,100	5.625	01-01-97	86,840	7,592,250	7,550
NEW YORK TEL	176	4.500	05-15-91	160,319	110,958	6,051
NEW YORK TEL	800	4.500	05-15-91	681,836	504,400	6,251
NEW YORK TEL	69	4.125	07-01-93	60,040	39,154	6,275
NEW YORK TEL	100	4.625	10-01-97	88,460	55,130	6,000
NEW YORK TEL	150	4.625	10-01-97	151,620	92,620	6,000
NEW YORK TEL	65	4.625	01-01-02	65,793	53,633	6,000
NEW YORK TEL	475	4.625	01-01-04	475,472	267,914	6,200
NEW YORK TEL	171	4.875	01-01-06	151,306	89,783	6,000
NEW YORK TEL	450	4.875	01-01-06	453,163	239,640	6,000
NEW YORK TEL	250	7.500	03-01-09	253,053	162,325	6,000
NEW YORK TEL	300	8,000	07-15-08	312,206	229,410	7,512
NORTH ELECTRIC PP	425	8.625	09-01-96	425,000	319,350	8,025
NORTHERN INDIANA PUBLIC SERVICE	150	4.625	05-15-25	151,710	84,760	4,496
NORTHERN INDIANA PUBLIC SERVICE	500	11.750	12-15-09	500,000	500,650	11,750
NORTHERN STATES POWER	250	4.500	08-01-94	251,650	137,600	4,428
NORTHWESTERN BELL TEL	150	4.375	05-01-89	137,753	99,774	4,282
NORTHWESTERN BELL TEL	175	4.375	03-01-03	177,022	315,604	6,244
NORTHWESTERN BELL TEL	500	6.250	01-01-07	498,163	150,000	7,000
NORTHWESTERN BELL TEL	150	7.000	01-01-09	199,820	136,000	7,009
NORTHWESTERN BELL TEL	200	7,000	01-01-11	311,830	220,170	7,479
NORTHWESTERN BELL TEL	300	7,875	02-01-06	151,057	79,500	4,941
OHIO BELL TEL	150	5,000	02-01-06	50,352	26,500	4,941
OHIO BELL TEL	50	5,000	03-01-07	175,000	175,000	5,375

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
OHIO BELL TEL	150	3.95	03-01-07	150,000	84,000	5.375
OHIO BELL TEL	100	8.750	07-01-08	396,495	262,201	6.713
OHIO EDISON	50	4.500	01-01-10	100,189	61,500	3.726
OHIO EDISON	300	8.250	04-01-69	50,250	21,440	4.394
OHIO EDISON	250	05-01-99	09-01-99	304,067	222,750	8.069
OTTER TAIL POWER	5,375	9.250	05-01-00	250,436	202,825	9.225
PACIFIC GAS & ELECTRIC	500	9.625	11-01-06	500,000	418,750	2.625
PACIFIC GAS & ELECTRIC	100	5.500	06-01-99	85,856	58,250	7.201
PACIFIC GAS & ELECTRIC	300	8.000	06-01-03	390,679	285,226	7.498
PACIFIC GAS & ELECTRIC	500	10.125	08-01-12	498,769	443,650	10.151
PACIFIC NORTHWEST BELL TEL	140	4.500	11-01-94	124,440	80,500	5.992
PACIFIC NORTHWEST BELL TEL	281	4.500	12-01-00	281,000	144,378	4.500
PACIFIC NORTHWEST BELL TEL	500	6.750	12-01-07	381,167	330,000	6.655
PACIFIC NORTHWEST BELL TEL	150	6.750	12-01-07	155,050	99,000	6.415
PACIFIC NORTHWEST BELL TEL	250	6.750	12-01-07	254,322	165,000	6.575
PACIFIC NORTHWEST BELL TEL	110	6.750	12-01-07	111,118	72,600	6.646
PACIFIC NORTHWEST BELL TEL	200	7.750	06-01-05	200,000	148,860	7.750
PACIFIC NORTHWEST BELL TEL	300	7.750	08-01-09	294,772	223,230	7.937
PACIFIC NORTHWEST BELL TEL	100	8.625	10-01-10	99,136	60,670	8.725
PACIFIC NORTHWEST BELL TEL	300	8.625	10-01-10	314,056	242,010	8.113
PACIFIC TEL & TEL	100	5.125	05-01-80	100,003	82,500	4.699
PACIFIC TEL & TEL	73	5.125	08-01-80	100,003	92,500	4.743
PACIFIC TEL & TEL	100	4.375	09-15-83	70,432	57,614	4.340
PACIFIC TEL & TEL	50	4.625	08-15-88	92,464	65,250	5.962
PACIFIC TEL & TEL	60	4.625	05-01-00	50,000	25,195	4.617
PACIFIC TEL & TEL	1,000	6.000	05-01-00	80,000	40,312	4.625
PACIFIC TEL & TEL	200	6.000	11-01-02	202,230	119,000	5.089
PACIFIC TEL & TEL	300	6.000	11-01-02	232,160	178,500	5.711
PACIFIC TEL & TEL	175	6.000	11-01-02	175,889	104,125	5.949
PACIFIC TEL & TEL	300	8.750	10-01-06	299,717	233,970	6.761
PACIFIC TEL & TEL	360	7.800	03-01-07	369,000	260,455	7.800
PACIFIC TEL & TEL	300	7.800	03-01-07	307,416	212,600	7.634
PACIFIC TEL & TEL	200	9.500	06-15-11	190,732	166,260	10.070
PACIFIC TEL & TEL	1,000	8.875	02-15-16	1,000,000	853,700	9.875
PACIFIC TEL & TEL	500	9.750	07-01-19	500,000	421,250	9.700
PACIFIC TEL & TEL	1,000	9.750	07-01-19	1,000,000	842,500	9.750
PACIFIC TEL & TEL	2,000	13,500	03-01-20	1,993,631	2,340,000	15.548
PENNSYLVANIA ELECTRIC	290	4.625	10-01-94	202,279	66,760	4.492
PHILADELPHIA ELECTRIC	16	3.125	04-01-85	15,272	11,141	4.227
PHILADELPHIA ELECTRIC	10	2.125	04-01-85	9,676	6,966	4.353
PHILADELPHIA ELECTRIC	175	4.500	05-01-94	175,757	90,563	4.444
PHILADELPHIA ELECTRIC	50	6.125	10-01-97	49,089	29,690	4.341
PHILADELPHIA ELECTRIC	250	6.125	10-01-97	250,482	148,450	6.102
POTOMAC EDISON	100	4.625	03-01-94	100,643	53,830	4.557
POTOMAC ELECTRIC POWER	200	4.500	05-15-99	122,191	100,500	9.150
POTOMAC ELECTRIC POWER	300	4.375	02-15-98	301,747	151,140	

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	FAIR VALUE (000)	INTEREST RATE	NATIVITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
POLOMAC ELECTRIC POWER						
PUBLIC SERVICE COLORADO	100	4.625	05-01-69	101,136	64,830	4.431
PUBLIC SERVICE COLORADO	100	4.500	10-01-91	100,445	59,380	4.436
PUBLIC SERVICE NEW MEXICO	200	7.500	06-15-62	198,265	141,760	7.600
ROCHESTER GAS & ELECTRIC	100	4.625	09-15-94	101,135	54,750	4.484
ROCHESTER GAS & ELECTRIC	100	4.625	09-15-94	101,211	54,750	4.492
SOUTH CAROLINA ELECTRIC & GAS	100	4.625	04-01-09	495,195	440,000	10.231
SOUTH CENTRAL BELL TEL	500	8.500	11-01-01	200,782	162,580	8.450
SOUTH CENTRAL BELL TEL	500	8.250	03-01-17	497,339	367,900	8.303
SOUTHERN BELL TEL & TEL	53	4.000	10-01-63	50,699	44,059	6.092
SOUTHERN BELL TEL & TEL	100	4.625	12-01-93	101,446	60,000	4.425
SOUTHERN BELL TEL & TEL	100	4.625	12-01-93	72,610	60,000	8.312
SOUTHERN BELL TEL & TEL	100	4.625	12-01-93	101,445	60,000	4.409
SOUTHERN BELL TEL & TEL	105	5.000	12-31-97	107,430	60,900	4.735
SOUTHERN BELL TEL & TEL	100	4.375	03-01-98	97,715	53,000	4.599
SOUTHERN BELL TEL & TEL	50	4.750	09-01-00	50,367	26,870	4.674
SOUTHERN BELL TEL & TEL	300	4.750	09-01-00	241,052	161,220	6.986
SOUTHERN BELL TEL & TEL	50	4.750	09-01-00	50,498	26,870	4.646
SOUTHERN BELL TEL & TEL	70	4.375	08-01-03	69,772	34,216	4.402
SOUTHERN BELL TEL & TEL	130	4.375	08-01-03	130,195	62,514	4.361
SOUTHERN BELL TEL & TEL	300	6.000	07-01-99	201,932	235,740	7.807
SOUTHERN BELL TEL & TEL	1,500	6.250	04-15-16	1,493,284	1,154,450	8.290
SOUTHERN CALIFORNIA EDISON	200	4.375	05-15-88	200,671	134,260	4.316
SOUTHERN CALIFORNIA EDISON	200	4.375	03-01-89	199,436	130,250	4.424
SOUTHERN CALIFORNIA EDISON	250	6.125	08-15-91	234,732	175,250	7.133
SOUTHERN CALIFORNIA EDISON	500	9.625	11-01-02	496,726	431,450	9.700
SOUTHERN CALIFORNIA EDISON	500	9.625	11-01-03	496,726	431,450	9.700
SOUTHERN CALIFORNIA GAS	200	4.375	07-01-88	200,595	152,500	4.318
SOUTHERN CALIFORNIA GAS	200	5.875	12-01-91	193,096	135,760	7.204
SOUTHERN CALIFORNIA GAS	200	7.625	09-01-97	200,676	144,260	7.579
SOUTHERN CALIFORNIA GAS	300	7.625	09-01-97	300,507	216,390	7.692
SOUTHERN CALIFORNIA GAS	1,000	8.500	10-01-97	992,433	800,000	8.593
SOUTHERN CALIFORNIA GAS	500	8.500	10-01-97	496,217	400,000	8.503
SOUTHERN CALIFORNIA GAS	1,000	12.750	11-01-99	1,200,000	1,000,000	12.750
SOUTHERN NEW ENGLAND TEL	100	7.750	06-01-04	137,133	72,680	7.750
SOUTHWESTERN BELL TEL	125	4.500	08-01-97	243,165	73,467	2.343
SOUTHWESTERN BELL TEL	240	6.750	06-01-08	10,132	160,704	6.623
SOUTHWESTERN BELL TEL	10	6.750	06-01-08	10,132	16,595	6.623
SOUTHWESTERN BELL TEL	245	6.750	06-01-09	248,241	164,052	6.623
SOUTHWESTERN BELL TEL	410	6.750	06-01-08	415,264	274,526	6.535
SOUTHWESTERN BELL TEL	100	6.750	06-01-08	103,100	80,050	8.458
SOUTHWESTERN BELL TEL	100	6.250	04-01-17	95,571	77,570	8.632
SOUTHWESTERN ELECTRIC POWER	300	4.500	04-01-93	300,422	174,000	4.355
SOUTHWESTERN PUBLIC SERVICE	20	4.500	02-01-81	10,000	16,950	4.500
SOUTHWESTERN PUBLIC SERVICE	70	4.500	02-01-81	70,264	29,560	4.453
SOUTHWESTERN PUBLIC SERVICE	500	8.750	03-01-02	500,000	301,000	8.750
TEXAS ELECTRIC SERVICE	300	4.500	04-01-93	301,474	174,390	4.314
TEXAS ELECTRIC SERVICE	100	4.500	02-01-93	200,890	112,760	4.453

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MAT VALUE	FIELD
UTILITIES						
TEXAS ELECTRIC SERVICE	500	9.500	02-01-09	490,656	436,850	9.571
TEXAS ELECTRIC SERVICE	500	9.500	02-01-09	496,656	436,850	9.571
TEXAS POWER & LIGHT	100	8.875	09-01-00	101,660	83,090	6.619
TUCSON GAS & ELECTRIC PP	250	4.550	02-01-95	250,000	134,125	4.550
UNION ELECTRIC	100	4.500	11-01-93	100,469	54,130	4.440
UNITED ILLUMINATING	500	6.250	12-15-03	500,000	375,250	6.250
UNITED INTERMOUNTAIN TELEPHONE PP	425	11.000	10-01-99	425,000	426,530	11.000
UNITED TEL OF CAROLINAS PP	465	7.875	10-01-02	465,000	344,984	7.875
UNITED TEL OF CAROLINAS PP	480	9.675	10-01-00	480,000	436,368	9.675
UNITED TEL OF MISSOURI PP	470	7.875	05-01-03	470,000	347,894	7.875
UNITED TEL OF NORTHWEST PP	485	10.750	03-01-99	485,000	475,252	10.750
UTAH POWER & LIGHT	300	7.500	05-01-02	300,000	211,500	7.500
UTAH POWER & LIGHT	500	10.250	11-01-05	502,115	451,250	10.250
UTAH POWER & LIGHT	2,000	9.125	05-01-03	2,000,000	1,650,000	9.125
VIRGINIA ELECTRIC POWER	100	4.500	12-01-93	100,541	52,750	4.532
VIRGINIA ELECTRIC POWER	500	8.625	03-01-07	496,660	395,500	8.640
VIRGINIA ELECTRIC POWER	500	9.625	07-01-08	500,000	404,800	9.640
WASHINGTON WATER POWER	200	4.525	09-01-94	200,000	110,260	4.515
WISCONSIN POWER & LIGHT	449	4.625	03-01-89	49,556	32,394	4.635
WISCONSIN PUBLIC SERVICE	300	4.500	06-01-94	300,804	170,550	4.504
SUBCLASS TOTAL	95,631			94,108,652	73,164,690	
CANADIAN						
BELL TELEPHONE OF CANADA	500	9.625	01-15-08	500,000	427,500	9.000
BRITISH COLUMBIA HYDRO & POWER	500	6.375	06-01-05	498,962	456,900	6.375
BRITISH COLUMBIA HYDRO & POWER	1,000	9.625	06-15-07	1,000,000	921,563	9.625
BRITISH COLUMBIA HYDRO & POWER PP	1,000	9.000	07-15-96	1,000,000	911,200	9.000
CANADIAN NATL RAILWAY PP	500	9.250	07-01-91	500,000	444,300	9.250
CANADIAN NATL RAILWAY PP	1,000	9.250	03-15-98	1,000,000	378,500	9.250
CANADIAN PACIFIC EQUIPMENT TRUST PP	357	10.125	07-02-90	366,667	352,867	10.125
HYDRO-QUEBEC	500	10.000	11-15-05	500,000	456,250	10.000
IMPERIAL OIL	1,000	9.750	09-15-09	998,109	948,700	9.759
MANITOBA HYDRO ELECTRIC BOARD	400	9.250	06-15-04	299,201	352,700	9.270
MANITOBA HYDRO ELECTRIC BOARD	100	9.250	06-15-04	99,500	86,120	9.270
MANITOBA HYDRO ELECTRIC BOARD	500	9.375	12-01-04	484,727	483,750	9.375
MUNICIPAL FINANCE AUTHORITY OF BC	980	8.875	05-01-01	980,000	860,563	8.875
MUNICIPAL FINANCE AUTHORITY OF BC	200	8.200	10-15-96	200,000	182,560	8.200
MUNICIPAL FINANCE AUTHORITY OF BC	100	8.200	10-15-96	200,000	182,580	8.200
NOVA SCOTIA POWER	500	8.200	10-15-96	500,000	456,400	8.200
ONTARIO HYDRO PP	500	10.500	09-15-96	500,000	475,000	10.500
QUEBEC HYDRO ELECTRIC	1,000	9.500	C3-16-96	1,000,000	902,400	9.500
QUEBEC HYDRO ELECTRIC	600	8.500	08-01-03	597,690	475,500	8.700
QUEBEC HYDRO ELECTRIC	500	9.500	08-01-03	491,613	376,250	9.500
			01-01-04	103,041	8250	8.295

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	PAR VALUE (CCC)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	CHANGE
CANADIAN						
QUEBEC HYDRO ELECTRIC	500	8.250	01-01-04	498,022	372,031	3,294
QUEBEC HYDRO ELECTRIC	500	10.700	03-01-99	500,000	497,500	-0,700
SUBCLASS TOTAL	13,347			13,313,032	11,854,865	
CONVERTIBLE BONDS						
CITICORP CV	100	5.750	06-30-00	100,000	67,750	6,750
FIRST BANK SYSTEMS CV	100	6.250	06-30-00	100,000	81,000	6,250
HERCULES CV	200	6.500	06-30-99	200,000	145,000	6,500
MGIC INVESTMENT CORP CV	555	5.000	12-15-93	55,000	31,702	2,200
JP MORGAN & CO CV	100	4.750	11-01-98	100,000	71,250	1,750
JF MORGAN & CO CV	50	4.750	11-01-96	50,000	35,625	1,500
WEST POINT PEPPERELL INC CV	120	7.750	10-15-00	100,000	95,000	7,500
WEST POINT PEPPERELL INC CV	150	7.750	10-15-00	150,000	142,500	7,500
SUBCLASS TOTAL	655			855,000	662,327	
SECURITY TOTAL	171,343			169,011,856	136,760	333
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
REPO WELLS FARGO BANK SF	6,000	8.250	07-02-80	6,000,000	6,000,000	8 250
SUBCLASS TOTAL	6,000			6,000,000	6,000,000	
US BANKERS ACCEPTANCE						
BANKERS ACCEPTANCES WELLS FARGO BANK SF	1,000	8.250	07-14-30	994,042	906,722	8 250
SUBCLASS TOTAL	1,000			994,042	906,722	
SECURITY TOTAL	7,000			6,994,042	6,100,702	
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY BONDS	500	7.875	02-15-00	485,746	405,600	8.207
SUBCLASS TOTAL	500			485,746	405,600	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YEARLY YIELD
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INDEMNITY BONDS
US GOVERNMENT OBLIGATIONS

SECURITY TOTAL

US GOVERNMENT AGENCIES AND GOVERNMENT AGENCIES

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**MUNICIPAL BONDS
STATE-DIRECT OR GUARANTEED**

490	6,000	06-01-86	489,563	437,523	8,000
320	8,000	06-01-88	319,830	278,252	8,000
810			309,393	715,-75	
810			809,393	715,-75	

THE HOLDINGS

BUILDINGS AND LAND
COMMON STOCK
MORTGAGES

CLASSICAL TOTAL

PUBLIC EMPLOYEES' RETIREMENT FUND

SECURITY	PAR VALUE (CO)	INTEREST RATE	MATURITY DATE	COST	MATURITY VALUE	YIELD
SECURITY TOTAL	56,757			56,757,800	61,029,701	
FUND TOTAL	246,869			244,299,633	214,954,029	

SECURITY TOTAL
FUND TOTAL

INDUSTRY/COMPANY	NO. OF SHARES	COST	MARKET VALUE 6-30-80	ANNUAL DIVIDEND per share	% YIELD
BANKING					
Citicorp	26,000	\$ 668,816	\$ 575,250	\$ 1.42	5.52
Manufacturers Hanover	25,000	851,087	828,125	2.52	7.40
Northwest Bancorp	20,000	428,370	490,000	1.48	6.91
Wells Fargo	26,000	523,423	708,500	1.92	9.54
CHEMICAL					
American Cyanamid	16,000	329,192	478,000	1.60	7.76
Dow Chemical	14,000	458,877	470,750	1.60	4.89
Hercules	22,000	505,682	412,500	1.20	5.22
Monsanto	14,000	749,955	725,000	3.60	6.72
Union Carbide	18,565	904,630	809,898	3.00	6.16
CONSUMER GOODS					
Avon	12,000	430,844	429,000	3.00	8.36
General Mills	22,000	544,149	605,000	1.32	5.34
Pepsico	24,000	605,188	579,000	1.30	5.15
Pillsbury	18,000	580,359	639,000	1.72	5.33
R. J. Reynolds	26,000	773,898	1,010,750	2.10	7.05
DRUGS					
Abbott Labs	32,000	425,153	1,348,000	1.20	9.03
American Home Products	24,900	648,056	703,650	1.70	6.53
Bristol Myers	12,000	261,585	466,500	1.60	7.34
Merck	8,000	443,848	566,000	2.30	4.15
Smith Kline	8,000	98,772	467,000	1.66	13.44
ELECTRONICS					
R. C. A. Corporation	24,000	450,620	546,000	1.80	9.58
INSURANCE & FINANCE					
Farmers Group	18,000	377,500	501,750	4.77	
Household Finance	32,000	572,989	576,000	1.55	
N. L. T.	26,000	576,108	604,500	1.32	
Provident Life & Accident	5,000	187,250	220,000	1.88	
St. Paul Companies	20,000	594,375	725,000	2.00	
U.S. Fidelity & Guaranty	20,000	630,532	857,500	2.80	
OFFICE EQUIPMENT					
I. B. M.	18,000	1,046,840	1,057,500	3.44	5.91
N. C. R.	9,000	472,409	511,375	2.00	3.21
Xerox	10,000	552,578	537,500	2.80	5.07



INDUSTRY/COMPANY	NO. OF SHARES	COST	MARKET VALUE 6-30-80	ANNUAL DIVIDEND per share	% YIELD
PAPER & FOREST PRODUCTS					
Champion International	26,000	593,219	627,250	1.40	6.13
Georgia Pacific	25,349	552,329	697,098	1.20	5.51
International Paper	16,274	676,891	594,001	2.40	5.77
PETROLEUM & GAS					
Arkansas Louisiana	44,000	392,552	1,259,500	1.24	13.90
Atlantic Richfield	20,000	439,072	935,000	1.70	7.74
Exxon	11,000	497,450	728,750	5.20	11.50
Kerr McGee	12,000	588,158	898,500	1.80	3.67
Mobil Oil	20,000	504,868	1,425,000	3.40	13.47
Panhandle Eastern Pipeline	26,376	572,446	880,299	1.74	8.02
Phillips Petroleum	22,000	516,188	1,001,000	1.80	7.67
Standard Oil of California	15,000	633,086	1,147,500	3.60	8.53
Standard Oil of Indiana	20,000	476,764	1,145,000	1.80	7.55
Union Oil of California	26,000	508,019	1,365,000	1.60	8.19
RETAIL					
May Department Stores	22,000	586,483	544,500	1.54	5.78
Saveway	20,000	695,932	660,000	2.60	7.47
STEEL					
Republic Steel	24,000	688,172	546,000	2.00	6.98
U. S. Steel	20,000	674,836	377,500	1.60	4.74
TIRE & RUBBER					
Goodyear Tire & Rubber	35,000	587,207	455,000	1.30	7.75
UTILITIES					
Arizona Public Service	50,000	864,517	950,000	2.00	11.57
Florida Power & Light	26,000	660,701	708,500	2.72	10.70
Montana Power	27,000	670,825	732,375	2.12	8.53
Texas Utilities	36,875	694,023	672,969	1.76	9.35
TELEPHONE					
American Tel. & Tel.	16,000	805,276	840,000	5.00	9.93
Central Telephone	24,000	487,956	600,000	2.00	9.96
Communications Satellite	18,000	659,843	651,500	2.30	6.27
General Tel. & Elec.	44,000	1,218,820	1,232,000	2.72	9.82
MISCELLANEOUS					
C. B. S.	12,000	609,390	565,500	2.80	5.51
Commerce Clearing House	7,000	104,813	238,000	1.04	6.95
Dresser Industries	11,000	436,328	683,375	1.10	2.77
Johns Manville	28,000	777,799	637,000	1.92	6.91
Minnesota Mining & Mfg.	8,000	386,458	425,000	2.80	5.77
Owens Illinois	22,000	383,784	508,750	8.03	1.40
TOTAL		<u>1,285,339</u>	<u>\$43,200,415</u>		<u>Avg. 7.34%</u>

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	CCSI	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
ALLIED CHEMICAL	200	7.875	09-01-96	161	438	2.006
ALLIED CHEMICAL	500	5.000	04-01-00	497	041	2.076
ALUMINUM CO OF AMERICA	100	7.450	11-15-96	90	036	7.450
AMERICAN BRANDS	100	5.875	07-01-92	61	622	12.054
AMERICAN HOSPITAL SUPPLY CORP	500	7.875	08-15-07	498	643	384.450
ANACONDA CO	100	6.625	11-15-93	98	856	7.906
ANACONDA CO	100	6.625	11-15-93	64	021	6.793
ANACONDA CO	250	5.625	11-15-93	235	477	12.200
ANACONDA CO	250	8.000	05-15-96	250	000	7.510
ARMSTRONG CORK	300	8.625	04-01-00	300	000	8.625
ATLANTIC RICHFIELD	100	6.625	12-01-92	95	936	7.263
BENDIX CORP	250	6.625	12-01-92	217	008	6.625
BETHLEHEM STEEL	500	8.450	03-01-05	500	000	8.450
CITIES SERVICE CO	250	6.625	08-01-99	235	574	7.330
CITIES SERVICE CO	525	6.625	08-01-99	471	241	8.043
CONTINENTAL OIL	500	8.675	06-01-01	498	554	6.900
DAYTON HUDSON CORP	104	9.750	06-01-95	104	000	9.750
DUPONT	500	8.500	05-01-06	500	000	8.500
FOOD MAKER INC PP	167	9.750	11-01-89	160	665	145.515
GENERAL MILLS	176	8.675	10-15-95	176	000	8.750
GENERAL MILLS	500	9.375	03-01-09	495	447	8.975
GULF OIL CORP	400	5.350	06-15-91	335	139	9.469
GULF OIL CORP	50	6.625	06-15-93	50	000	7.888
HALLIBURTON CO	500	9.250	04-01-00	498	023	6.625
HONEYWELL	100	6.100	03-01-92	100	000	7.880
HOOKER CHEMICAL PP	468	10.500	06-29-96	468	060	10.500
HOOKER CHEMICAL PP	22	10.500	06-29-96	24	850	10.500
INGERSOLL RAND CO	500	8.750	05-01-85	499	275	167.350
INLAND STEEL	500	9.500	09-01-00	497	981	430.650
I B M	500	7.900	01-15-07	500	000	9.550
I B M	500	9.375	10-01-04	419	443	11.363
I B M	500	9.375	10-01-04	451	864	10.500
INTERNATIONAL HARVESTER	100	6.250	03-01-98	100	000	6.250
INTERNATIONAL PAPER CO	500	6.850	12-15-00	500	000	6.850
KENNERICK COPPER CORP	200	7.875	05-01-01	293	741	214.500
KRAFT INC	500	7.600	01-15-07	500	000	385.250
MARATHON OIL	250	8.500	02-01-00	249	569	208.750
MARATHON OIL	100	7.650	11-01-63	100	000	93.450
MARATHON OIL	250	7.650	11-01-83	250	000	7.650
J RAY McDERMOTT & CO	500	9.625	03-15-04	498	813	133.000
NL INDUSTRIES	250	7.500	12-15-95	226	093	189.375
NATIONAL STEEL CORP	300	8.375	06-01-06	300	000	224.760
OUTBOARD MARINE CORP	100	7.750	12-01-96	99	686	69.380
OWENS ILLINOIS	500	7.625	04-01-01	457	780	371.050
OWENS ILLINOIS	105	4.575	04-01-87	447	736	371.050
PACKAGING CORP OF AMERICA	250	9.000	06-15-99	105	000	67.862
J C PENNEY CO	50	9.000	03-01-01	250	000	211.350
PET INC				50	000	42.275

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	CONST	FIELD VALUE	MARKET VALUE
CORPORATE BONDS INDUSTRIAL						
PHILIP MORRIS PP	8,875	8.04	11-30-98	1,000,000	248,754	6,935
PHILLIPS PETROLEUM	1,000	8.875	03-15-01	1,199,307	323,500	8,675
RCA CORPORATION	220	7.625	08-15-92	500,000	155,900	7,668
RESEARCH PROPERTIES INC PP	500	10.200	11-01-99	495,000	10,200	10,200
RJ REYNOLDS INDUSTRIES	247	8.250	01-15-07	247,445	190,929	8,250
RJ REYNOLDS TOBACCO CO	500	8.000	01-01-94	500,000	390,000	8,000
J SCHLITZ BREWING CO	50	7.875	01-15-96	631,643	41,375	7,896
SCOTT PAPER	550	7.200	05-01-00	138,318	485,290	7,603
SEARS POEBUCK & CO	200	8.675	10-31-95	240,257	150,420	9,550
SEARS ROEBUCK & CO	241	8.625	10-01-95	203,717	139,720	8,674
SEARS ROEBUCK & CO	200	8.625	10-01-95	189,453	169,060	9,300
SHELL OIL	500	8.000	04-01-05	498,224	392,399	8,020
SHELL OIL	150	5.300	03-15-92	129,281	104,790	7,750
SHELL OIL	200	5.300	03-15-92	129,766	139,720	5,318
SHELL OIL	500	6.750	05-15-95	496,807	417,450	8,621
SHELL OIL BT ALASKA PP	500	8.000	04-15-07	500,000	382,500	8,000
SHELL OIL UST ATLANTIC PP	472	6.400	03-14-91	471,605	383,462	3,400
SMITH INTERNATIONAL	490	9.300	03-07-02	189,761	434,075	9,300
STANDARD OIL OF CALIFORNIA	500	9.850	05-15-04	500,000	455,550	9,850
STANDARD OIL OF CALIFORNIA PP	500	7.000	04-01-96	434,952	382,110	6,674
STANDARD OIL OF CALIFORNIA PP	333	7.500	01-01-99	330,335	249,201	7,500
STANDARD OIL OF CALIFORNIA PP	950	8.500	07-02-99	950,000	781,890	8,500
EXXON CORP	250	6.500	07-15-98	250,000	178,325	6,500
STANDARD OIL CO OHIO	250	8.500	01-01-00	249,537	204,450	6,523
STAUFFER CHEMICAL CO	250	6.125	06-01-96	248,405	202,875	6,220
SYSTEMS BUILDING CORP PP	605	8.000	07-01-97	604,987	461,661	8,000
TEXACO INC	500	8.500	04-01-05	496,731	407,750	8,559
TEXTRON INC	500	8.500	04-01-06	496,781	407,750	8,569
TOWSON EQUIPMENT CORP	200	7.500	07-15-97	200,000	154,000	7,500
UNION OIL CO OF CALIFORNIA	146	3.500	01-01-65	145,974	135,945	8,500
UNION OIL CO OF CALIFORNIA	100	3.625	03-01-05	99,358	83,030	8,695
UNION OIL CO OF CALIFORNIA PP	900	2.625	03-01-05	394,221	747,279	8,695
US INDUSTRIES	500	7.500	01-01-98	500,000	373,000	7,500
US INDUSTRIES	200	7.150	06-01-97	200,000	141,742	7,750
US SHOE CORP	150	7.750	05-01-97	150,000	100,305	7,750
US STEEL CORP	200	7.750	02-15-94	149,264	106,000	7,201
WESTERN AUTO SUPPLY CO	320	7.650	03-01-91	200,000	147,320	7,750
WESTERN AUTO SUPPLY CO	450	7.650	01-15-95	263,102	219,750	9,700
WESTERN ELECTRIC	450	7.500	06-15-95	447,894	329,625	7,819
WESTERN ELECTRIC	260	7.500	06-15-96	450,020	356,670	7,500
WESTINGHOUSE ELECTRIC CORP	639	8.225	02-01-95	198,525	198,150	10,200
WITCO CHEMICAL	500	9.500	02-15-99	38,865	73,550	8,640
YOUNGSTOWN SHEET & TUBE CO PP	726	4.600	07-01-95	499,174	436,650	9,538
				556,483	361,543	117
SUBCLASS TOTAL						
	31	3,246				
	30	398,106				
			26	113,140		

SECURITY	PAR VALUE (000)	INTEREST RATE	NATURAT E	COST	MARKET DATE	YIELD VALUE
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BANKS AND INSURANCE

AEATNA LIFE & CASUALTY CO	8.125	10-15-07	497,724	384,800	8.169
AMERICAN GENERAL INSURANCE CO	9.375	12-15-08	496,443	427,700	9.450
AMERICAN GENERAL INSURANCE CO	9.375	12-15-03	496,443	427,700	9.450
BANKAMERICA CORP	500	7.875	12-01-03	317,256	369,450
BANKERS TRUST NEW YORK CORP	500	8.625	11-01-02	498,381	369,650
BERKSHIRE HATHAWAY INC PP	442	8.000	03-01-93	442,000	348,605
CHEMICAL NEW YORK	400	8.250	08-01-02	398,124	500,240
CHEMICAL NEW YORK	500	8.250	08-01-02	497,655	375,300
CITICORP NOTES	700	8.450	03-15-07	475,771	537,320
CITICORP NOTES	500	8.125	07-01-07	495,498	369,950
DOMINION BANKSHARES	200	7.750	11-15-96	200,000	141,750
FIRST SECURITY CORPORATION PP	500	8.500	10-01-97	500,000	362,300
INDUSTRIAL NATIONAL CORPORATION NOTES	500	7.400	07-01-81	500,000	481,900
MANUFACTURERS HANOVER	500	6.125	06-15-07	497,171	359,750
NLT CORP NOTES	500	8.300	05-01-93	500,000	462,050
SAFFCO CORP	500	7.600	12-15-86	500,000	425,000
WESTERN BANCORP	1,000	12.250	05-15-13	992,024	7,600
					1,000,000
					12,350
SUBCLASS TOTAL	9,742				

SUBCLASS TOTAL

OTHER FINANCIAL

ASSOCIATES INVESTMENT CO	7.375	12-01-80	299,010	230,250	7.451	
AVCO FINANCIAL SERVICES	7.875	05-01-92	248,515	193,450	7.976	
AVCO FINANCIAL SERVICES	7.625	12-01-97	500,000	370,300	7.625	
BENEFICIAL CORP	500	8.300	06-01-03	500,000	375,300	8.300
BENEFICIAL CORP	500	8.350	02-15-89	500,000	438,500	8.350
BENEFICIAL FINANCE CO	50	5.000	11-01-90	41,774	32,125	8.325
CIT FINANCIAL CORP	150	6.375	10-01-86	144,154	120,345	7.396
CIT FINANCIAL CORP	150	6.525	05-01-93	122,372	96,250	6.977
CNA FINANCIAL CORP	250	6.500	12-15-95	249,226	157,625	6.549
CHANNELVIEW LEASING CO PP	500	9.250	07-15-95	500,000	428,050	9.250
CHANNING HOUSE	70	5.000	05-01-04	71,379	34,703	4.851
CHRYSLER FINANCIAL CORP	100	7.700	03-01-92	98,973	55,370	7.877
CLARK EQUIPMENT CREDIT CORP	300	7.350	12-15-91	300,000	229,600	7.800
COMMERCIAL CREDIT CORPORATION	600	4.375	04-01-01	591,850	570,000	7.046
FORD MOTOR CREDIT	500	7.750	02-10-92	497,094	376,100	7.439
GENERAL MOTORS ACCEPTANCE CORP	150	4.625	06-15-66	155,336	137,556	8.986
GENERAL MOTORS ACCEPTANCE CORP	300	8.000	01-15-02	300,000	229,260	8.000
GENERAL MOTORS ACCEPTANCE CORP	500	8.250	11-15-94	498,863	396,450	8.272
GENERAL MOTORS ACCEPTANCE CORP	500	8.650	02-15-08	500,000	404,000	8.650
GENERAL MOTORS ACCEPTANCE CORP	1,000	12.000	02-01-05	990,131	1,026,000	12.127
GENERAL MOTORS ACCEPTANCE CORP	300	9.600	12-01-89	300,000	241,140	9.500
HELLER WALTER E CU	200	8.625	02-01-91	200,000	149,020	8.625
INTERNATIONAL HARVESTER CREDIT	200	7.500	01-15-94	199,355	148,160	7.650
INTERNATIONAL HARVESTER CREDIT						

SECURITY	PAR VALUE (1000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
OTHER FINANCIAL						
INTERNATIONAL HARVESTER CREDIT	300	7.500	01-15-94	299,032	210,690	7.550
INTERNATIONAL HARVESTER CREDIT	100	7.500	01-15-94	99,677	70,230	7.550
INTERNATIONAL HARVESTER CREDIT	300	7.500	01-15-94	299,032	210,690	7.550
NATIONAL RURAL UTILITIES	500	9.750	04-01-09	497,699	426,800	9.800
NATIONAL RURAL UTILITIES	1,000	9.750	09-01-09	995,332	653,600	9.800
TRAILMOBILE FINANCIAL CO	500	7.875	03-15-93	497,615	36,900	7.950
TRANSAMERICA FINANCIAL CORP	300	7.875	11-01-91	298,725	235,950	7.951
TRANSAMERICA FINANCIAL CORP	200	7.875	11-01-91	199,150	157,300	7.951
SUBCLASS TOTAL				11,493,378	9,459,664	
TRANSPORTATION EXCL. RAILROADS						
CALIFORNIA & HAWAII SUGAR CO PP	410	8.250	06-24-93	410,182	310,505	8.250
EXXON PIPELINE CO NOTES	500	8.050	10-15-80	500,000	497,650	8.050
LAKEHEAD PIPELINE	100	7.125	04-15-93	32,156	73,980	3.503
LAKEHEAD PIPELINE	200	7.600	06-15-97	200,000	149,750	7.600
MICHIGAN WISCONSIN PIPELINE	350	9.250	03-15-90	284,745	203,680	2.710
MICHIGAN WISCONSIN PIPELINE	100	8.000	04-15-91	98,648	73,630	8.260
PLANTATION PIPELINE PP	298	2.500	02-01-94	248,359	154,950	7.587
PLANTATION PIPELINE PP	238	7.000	02-01-93	237,500	154,850	7.000
SOHIO BP TRANS ALASKA PIPELINE	500	9.750	12-01-99	323,958	456,550	9.756
TRANSOK PIPELINE CO	500	9.000	11-01-89	500,000	426,900	9.000
SUBCLASS TOTAL				3,196	2,636,916	
RAILROADS						
ACF INDUSTRIES EQUIPMENT TRUST PP	7	04-15-81		7,000	6,749	6,625
ACF INDUSTRIES EQUIPMENT TRUST PP	27	04-15-82		27,000	24,062	5,000
AMERICAN RAIL BOX CAR PP	301	9.125	11-01-90	380,979	349,434	9.125
ATCHISON TOPEKA & SANTA FE RR	250	7.125	02-15-82	247,636	246,450	9,000
BURLINGTON NORTHERN	250	8.600	01-15-99	231,438	193,750	9.521
BURLINGTON NORTHERN	47	8.125	09-01-81	46,915	45,953	8.125
BURLINGTON NORTHERN PP	150	9.625	10-01-87	162,000	149,521	9.625
BURLINGTON NORTHERN EQUIPMENT TRUST PP	559	7.750	01-15-86	558,786	436,671	7.750
CLINCHFIELD RR TRUST	100	5.500	01-15-91	100,037	97,800	5,977
CLINTON GROWERS EQUIP TRUST PP	10	4.150	07-15-80	10,000	9,975	4.150
FRUIT GROWERS EXPRESS PP	50	7.000	04-15-83	50,000	40,225	7.000
FRUIT GROWERS EXPRESS PP	252	9.250	05-15-86	252,000	220,273	9.450
GSCX FIRST EQUIPMENT PP	136	9.750	06-15-86	135,718	125,290	9.750
GENERAL AMERICAN TRANSPORTATION	500	1.500	06-01-97	500,000	303,150	1.500
GRAND TRUNK WESTERN RAILWAY PP	120	7.500	09-15-85	119,759	109,160	7.500
ILLINOIS CENTRAL RR EQUIP	25	2.500	08-01-80	24,972	24,000	2.500

TEACHERS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	CC 1 MAY 1961 VALUE	Y151,000 VALUE
RAILROADS					
LOUISVILLE & NASHVILLE RR EQUIP TRUST	100	7.000	03-01-84	100,000	7,000
MISSOURI PACIFIC RR EQUIP	50	8.250	10-15-80	50,000	6,250
MISSOURI PACIFIC RR PP	933	9.750	06-01-94	923,333	9,750
NORFOLK & WESTERN RR EQUIP PP	83	8.875	10-01-84	83,333	8,375
NORTHERN PACIFIC RR EQUIP PP	33	5.500	03-01-82	32,667	5,500
NORTHERN PACIFIC RR EQUIP PP	55	6.625	02-01-84	55,439	6,625
PENN CENTRAL TRANSPORT PP	245	10.000	05-15-85	244,962	10,000
PULLMAN TRANSPORT LEASING	200	7.750	06-15-92	200,000	152,760
ST LOUIS SAN FRANCISCO RR EQUIP TRUST PP	27	5.750	03-01-82	26,667	24,767
ST LOUIS SAN FRANCISCO RR EQUIP TRUST PP	50	9.500	02-01-65	50,000	46,295
ST LOUIS SAN FRANCISCO RR EQUIP TRUST PP	149	9.750	07-01-65	146,916	147,471
ST LOUIS SAN FRANCISCO RR EQUIP TRUST PP	500	9.000	08-01-91	500,000	9,000
ST LOUIS SOUTHWESTERN RR PP	133	10.500	12-31-85	132,577	132,577
SEABOARD COASTLINE RR EQUIP PP	46	6.375	06-15-82	47,673	44,665
SEABOARD COASTLINE RR EQUIP PP	400	7.375	11-15-91	391,261	295,640
SOUTHERN RR	70	9.625	03-01-87	69,781	69,571
SPokane PORTLAND & SEATTLE RR PP	120	7.125	12-01-82	118,740	111,936
TRAILER TRAIN PP	27	7.250	12-15-83	26,667	24,240
TRAILER TRAIN PP	100	10.500	07-15-85	100,000	100,180
TRAILER TRAIN PP	500	8.750	04-01-89	500,000	474,000
UNION PACIFIC RR EQUIP TRUST	500	7.700	01-01-91	500,000	413,650
UNION TANK CAR	39	9.300	11-15-89	39,000	31,765
SUBCLASS TOTAL	7,236			7,203,256	6,240,517
UTILITIES					
ALABAMA POWER CO	500	10.500	12-01-95	500,000	10,500
AMERICAN TEL & TEL	100	7.000	02-15-01	99,484	72,310
ARKANSAS LOUISIANA GAS	500	9.100	10-01-96	500,000	50,000
BROOKLYN UNION GAS	676	4.375	05-01-88	567,762	442,321
CAROLINA POWER & LIGHT	100	4.500	11-01-91	100,364	50,860
CENTRAL ILLINOIS LIGHT	500	9.250	05-01-06	496,764	436,802
CENTRAL ILLINOIS PUBLIC SERVICE	25	4.750	01-01-89	22,003	16,813
CENTRAL ILLINOIS PUBLIC SERVICE	100	5.375	05-01-97	93,110	62,360
CENTRAL MAINE POWER	200	7.700	07-01-97	200,000	140,500
CENTRAL POWER & LIGHT	1,000	12.375	01-01-10	1,000,000	1,047,500
CHESAPEAKE & POTOMAC TEL MARYLAND	100	5.875	06-01-04	100,730	60,920
CHESAPEAKE & POTOMAC TEL VIRGINIA	225	5.250	05-01-05	226,579	124,042
CHESAPEAKE & POTOMAC TEL VIRGINIA	120	5.625	03-01-07	120,960	68,856
CHESAPEAKE & POTOMAC TEL	220	9.000	05-15-15	137,226	166,720
COLUMBIA GAS SYSTEM	50	7.500	06-01-97	42,000	37,920
COLUMBIA GAS SYSTEM	100	9.125	03-01-96	74,321	85,360
COLUMBIA GAS SYSTEM	100	10.250	05-01-99	81,542	89,980
COMMONWEALTH EDISON PP	170	3.200	07-01-81	167,330	146,846
COMMONWEALTH EDISON PP	1,000	9.125	05-01-93	1,000,090	697,200

TEACHERS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
CONSOLIDATED EDISON NY	500	4.375	06-01-88	467,737	516,620	5.363
CONSOLIDATED EDISON NY	50	4.625	10-01-92	45,000	57,475	5.951
CONSOLIDATED EDISON NY	200	4.625	12-01-93	202,497	113,500	4.446
CONSOLIDATED EDISON NY	150	5.900	12-15-96	150,000	91,320	5.200
CONSOLIDATED EDISON NY	250	7.900	04-15-02	247,997	131,575	8.051
CONSOLIDATED EDISON NY	200	7.900	04-15-02	198,398	145,655	8.051
CONSOLIDATED EDISON NY	250	7.900	04-15-02	250,000	151,675	7.900
CONSOLIDATED EDISON NY	200	7.900	04-15-02	190,398	145,650	7.900
CONSOLIDATED NATURAL GAS	500	8.375	09-01-96	457,037	405,000	9.150
CONSOLIDATED NATURAL GAS	300	8.125	06-01-97	240,304	287,180	10.750
CONSUMERS POWER PP	1,000	10.625	07-01-69	1,000,000	933,000	10.625
CONSUMERS POWER	474	11.375	08-01-84	474,000	437,131	11.375
DALLAS POWER & LIGHT	200	4.250	C2-01-93	185,009	115,176	5.241
DELAWARE POWER & LIGHT	50	4.625	10-01-94	50,136	21,100	4.601
DETROIT EDISON	150	6.000	12-01-96	150,000	96,055	6.000
DIAMOND STATE TEL	50	4.750	04-01-94	50,529	29,575	4.604
DUQUESNE LIGHT	100	5.125	02-01-96	100,592	56,000	5.048
EL PASO ELECTRIC	100	4.625	02-01-92	86,223	57,280	7.212
EL PASO ELECTRIC PP	1,000	9.950	05-01-04	1,000,000	911,100	9.950
EQUITABLE GAS	455	8.000	06-15-97	455,000	351,073	7.000
FLORIDA POWER & LIGHT	100	4.375	12-01-86	99,643	70,750	4.643
FLORIDA POWER & LIGHT	100	4.375	12-01-86	87,809	70,750	5.000
FLORIDA POWER & LIGHT	100	4.500	08-01-92	100,874	53,600	3.666
GENERAL TEL CALIFORNIA	320	5.000	12-01-89	291,872	209,210	5.071
GENERAL TEL CALIFORNIA	100	4.625	12-01-91	92,208	55,100	5.000
GENERAL TEL CALIFORNIA	1,000	10.750	10-01-09	973,165	621,300	11.066
GENERAL TEL FLORIDA	200	7.500	08-01-02	198,583	137,460	7.581
GEORGIA POWER	100	4.625	10-01-94	100,724	50,500	4.529
GEORGIA POWER	500	7.500	12-01-02	500,000	315,650	7.500
GULF POWER	100	4.625	10-01-94	100,000	53,000	4.495
HARTFORD ELECTRIC LIGHT	30	4.250	04-01-93	49,640	26,600	4.295
IDAHO POWER	65	4.500	10-15-88	60,713	42,575	7.901
IDAHO POWER	300	9.000	08-15-08	497,070	402,500	9.000
ILLINOIS BELL TEL	300	4.375	07-01-00	300,487	148,140	5.159
ILLINOIS BELL TEL	50	4.875	07-01-97	49,455	26,056	5.001
ILLINOIS POWER CO	50	5.250	10-01-96	44,429	32,125	5.594
INDIANA BELL TEL	300	4.375	05-01-03	322,542	145,892	7.263
INDIANA BELL TEL	50	4.750	10-01-05	50,000	25,440	4.816
INTERNATIONAL TEL & TEL	500	12.625	02-01-05	156,640	517,600	15.681
IAWA ILLINOIS GAS AND ELECTRIC	500	8.750	04-01-06	198,926	400,650	6.671
IAWA PUBLIC SERVICE	1,000	2.750	04-01-07	965,405	876,700	9.207
KANSAS NEBRASKA NATURAL GAS	92	6.100	05-01-01	92,000	76,000	6.460
KENTUCKY POWER	50	8.450	C8-C1-01	50,000	41,315	8.765
ENSEARCH	650	5.125	C1-C2-01	545,016	167,261	4.671
LONG ISLAND LIGHTING	500	7.500	C1-C2-02	499,192	363,700	8.262
MICHIGAN CONSOLIDATED GAS	150	6.500	06-01-95	500,000	266,100	4.400
MICHIGAN CONSOLIDATED GAS	300	7.625	13-3 507	133,507	185,375	4.211
			07 01 97	300,000	228,228	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
MNNSOTA POWER & LIGHT	400	09-01-06	400,000	309,520	8,700	
MNNSOTA POWER & LIGHT	500	8.350	09-01-07	500,000	375,000	8,350
MNNSOTA POWER & LIGHT	500	8.350	09-01-07	500,000	375,000	8,350
MONONGAHELA POWER	250	8.875	05-01-01	252,204	191,875	8.698
MONTANA POWER	98	4.500	04-01-89	98,720	62,475	4.368
MONTANA POWER	600	7.500	04-01-01	601,450	414,780	7.406
MONTANA POWER	500	8.625	03-01-04	501,049	387,500	8.599
MONTANA POWER	500	9.875	01-01-08	496,606	380,000	9.875
MONTANA POWER	500	9.675	01-01-09	496,605	380,000	9.949
MOUNTAIN STATES TEL & TEL	250	4.375	02-01-88	242,495	174,975	4.965
MOUNTAIN STATES TEL & TEL	500	7.750	06-01-13	500,000	370,000	7.750
NEW ENGLAND PCWER	200	4.500	11-01-93	201,012	111,000	4.426
NEW ENGLAND TEL & TEL	150	4.000	04-01-93	136,927	83,445	5.271
NEW ENGLAND TEL & TEL	100	4.625	04-01-99	78,434	53,000	7.476
NEW ENGLAND TEL & TEL	75	4.500	07-01-02	65,504	37,500	5.866
NEW YORK STATE ELECTRIC & GAS	200	6.250	09-01-97	192,056	126,000	6.751
NEW YORK TEL	50	4.500	05-15-91	47,387	31,525	5.308
NEW YORK TEL	100	4.625	10-01-97	102,626	55,130	4.323
NEW YORK TEL	200	4.625	01-01-02	203,264	103,500	4.468
NEW YORK TEL	100	4.875	01-01-06	100,636	51,929	4.617
NORTHERN ILLINOIS GAS	50	4.500	08-01-89	50,000	32,750	4.500
NORTHERN INDIANA PUBLIC SERVICE	50	4.500	04-15-93	50,448	28,000	4.366
NORTHERN INDIANA PUBLIC SERVICE	300	11.750	12-15-09	500,000	500,600	11.750
NORTHERN STATES POWER	250	4.375	09-01-93	249,862	142,500	4.382
OHIO BELL TEL	150	5.000	02-01-06	150,954	79,500	4.941
OHIO EDISON	350	9.500	05-15-08	347,559	274,190	9.576
OTTAWA TAIL POWER	500	9.625	11-01-08	520,000	418,750	9.625
PACIFIC GAS & ELECTRIC	20	4.500	12-01-86	19,211	14,376	5.511
PACIFIC GAS & ELECTRIC	100	5.000	06-01-91	84,053	63,800	8.089
PACIFIC GAS & ELECTRIC	100	5.375	05-01-98	100,213	58,000	5.349
PACIFIC GAS & ELECTRIC	150	5.750	12-01-98	149,382	90,945	5.768
PACIFIC GAS & ELECTRIC	100	5.750	12-01-00	95,612	66,250	7.302
PACIFIC GAS & ELECTRIC	500	10.125	08-01-12	498,739	443,650	10.151
PACIFIC NORTHWEST BELL TEL	250	4.500	12-01-00	251,329	128,450	4.429
PACIFIC NORTHWEST BELL TEL	50	4.500	04-01-03	43,968	24,940	5.748
PACIFIC TEL & TEL	400	4.625	04-01-99	405,428	205,000	4.477
PACIFIC TEL & TEL	200	4.625	05-01-00	193,306	100,780	4.983
PACIFIC TEL & TEL	20	6.000	11-01-02	16,618	11,900	6.111
PACIFIC TEL & TEL	500	9.675	C2-15-16	500,000	426,850	9.675
PENNSYLVANIA ELECTRIC	100	4.625	10-01-94	100,878	34,380	4.507
PENNSYLVANIA POWER & LIGHT	500	7.500	01-01-03	498,591	344,550	7.531
PHILADELPHIA ELECTRIC	25	4.500	03-01-95	23,763	12,183	5.151
POTOMAC ELECTRIC POWER	50	4.625	12-01-93	50,604	28,440	4.402
POTOMAC ELECTRIC POWER	100	4.500	C5-15-99	100,900	50,250	4.506
POTOMAC ELECTRIC POWER	400	4.500	05-15-99	244,382	201,000	9.150
PUBLIC SERVICE COLORADO	50	4.500	10-01-91	50,419	29,690	4.363
PUBLIC SERVICE COLORADO	500	9.250	10-01-91	500,000	410,650	9.25
PUBLIC SERVICE NEW HAMPSHIRE	300	7.625	C6-15-12	300,000	201,390	

TEACHERS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
PUBLIC SERVICE ELECTRIC & GAS	50	4.375	11-01-86	49,000	36,190	4.880
PUBLIC SERVICE ELECTRIC & GAS	10	4.625	06-01-88	9,747	6,865	5.155
PUBLIC SERVICE ELECTRIC & GAS	300	4.625	05-01-94	302,168	172,890	4.529
PUBLIC SERVICE ELECTRIC & GAS	50	4.750	09-01-95	50,219	28,690	4.694
PUBLIC SERVICE ELECTRIC & GAS	293	7.750	08-15-96	295,000	218,664	7.750
PUBLIC SERVICE ELECTRIC & GAS	400	7.500	04-01-02	400,000	286,260	7.500
PUGET SOUND POWER & LIGHT	50	4.625	11-01-93	50,087	20,500	4.598
ROCHESTER GAS & ELECTRIC	100	4.500	11-15-91	100,839	56,500	4.365
SAN DIEGO GAS & ELECTRIC CO	50	4.500	09-01-94	50,000	22,315	4.500
SAN DIEGO GAS & ELECTRIC CO	50	4.500	09-01-94	39,531	22,315	4.500
SOUTH CAROLINA ELECTRIC & GAS	500	10.125	04-01-09	495,195	440,000	10.231
CENTRAL TEL FLORIDA	500	7.650	02-01-97	500,000	365,650	7.650
SOUTHERN BELL TEL & TEL	100	4.000	10-01-03	99,120	83,130	4.402
SOUTHERN BELL TEL & TEL	25	4.375	08-01-95	22,152	13,250	5.750
SOUTHERN BELL TEL & TEL	165	4.750	02-01-00	166,064	83,671	4.574
SOUTHERN CALIFORNIA EDISON	100	4.675	03-01-82	95,621	86,860	6.501
SOUTHERN CALIFORNIA EDISON	200	4.375	03-01-89	195,310	130,260	4.412
SOUTHERN CALIFORNIA EDISON	500	4.500	02-15-90	125,561	213,150	7.101
SOUTHERN CALIFORNIA EDISON	150	4.500	02-15-90	150,136	95,445	4.482
SOUTHERN CALIFORNIA EDISON	150	5.250	05-15-91	149,237	98,250	5.335
SOUTHERN CALIFORNIA EDISON	1,000	9.625	11-01-03	993,452	852,900	9.703
SOUTHERN CALIFORNIA GAS	500	8.500	10-21-97	496,217	400,000	8.598
SOUTHERN CALIFORNIA GAS	1,000	12.750	11-01-99	1,000,000	1,008,300	12.750
SOUTHERN NEW ENGLAND TEL	250	8.125	05-01-08	247,176	187,925	8.255
SOUTHERN NEW ENGLAND TEL	500	4.625	08-01-95	482,257	286,200	5.055
SOUTHWESTERN PUBLIC SERVICE	100	4.625	02-01-95	100,367	56,000	4.576
SOUTHWESTERN PUBLIC SERVICE	500	6.750	03-01-06	500,000	401,900	9.750
CUN OIL	150	7.125	05-01-02	110,723	109,395	10.200
TUCSON GAS & ELECTRIC PP	250	4.550	02-01-95	250,000	134,125	4.550
UNION ELECTRIC	100	4.375	03-21-88	100,076	65,380	4.357
UNION ELECTRIC	300	4.500	11-01-93	301,056	162,390	4.456
UNITED TEL INDIANA PP	225	9.125	04-01-00	225,000	191,205	9.125
UNITED TEL OF MISSOURI PP	370	7.675	06-01-00	370,000	273,874	7.675
UNITED TEL OF NORTHWEST PP	485	10.750	09-01-99	485,000	475,262	10.750
UNITED TEL OHIO	180	7.600	03-01-02	126,000	133,950	7.600
UTAH POWER & LIGHT	225	9.750	30-01-00	225,000	202,433	9.750
UTAH POWER & LIGHT	600	7.500	05-01-02	600,000	423,900	7.500
UTAH POWER & LIGHT	500	10.250	11-01-05	502,116	451,250	10.195
UTAH POWER & LIGHT	1,200	9.125	05-01-08	1,200,000	990,000	9.125
VIRGINIA ELECTRIC POWER	150	4.500	05-01-95	149,534	76,695	4.538
WASHINGTON WATER POWER	400	4.625	09-01-94	400,000	200,525	4.625
WEST PENN POWER	120	4.500	03-01-92	120,255	56,630	4.365
WISCONSIN MICHIGAN POWER	200	5.875	08-01-96	181,259	128,260	7.151
WISCONSIN NATURAL GAS	100	4.875	10-01-90	100,264	62,630	4.832
WISCONSIN NATURAL GAS	150	4.875	10-01-91	127,426	58,945	7.750
WISCONSIN NATURAL GAS	100	6.750	09-16-94	100,884	81,500	6.000
WISCONSIN PUBLIC SERVICE	200	4.375	11-01-93	200,000	113,375	4.375
WISCONSIN PUBLIC SERVICE	100	4.500	06-01-94	56,860	56,860	4.176

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES	25	4.875	05-21-95	23,216	14,908	5.849
WISCONSIN TEL						
SUBCLASS TOTAL	45,923			44,845,510	34,475,253	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES	25	4.875	05-21-95	23,216	14,908	5.849
SUBCLASS TOTAL	45,923			44,845,510	34,475,253	

CANADIAN

BELL TELEPHONE OF CANADA PP	1,000	9.000	01-15-08	1,000,000	9,000	
BELL TELEPHONE OF CANADA PP	500	9.500	06-01-04	500,000	444,600	5.500
BRITISH COLUMBIA HYDRO & POWER	500	9.625	06-01-05	498,962	456,900	9.650
BRITISH COLUMBIA HYDRO & POWER	1,000	9.375	06-15-07	1,000,000	921,563	8.375
BRITISH COLUMBIA HYDRO & POWER PP	1,000	9.625	07-15-96	1,000,000	911,200	9.625
CANADIAN NATL RAILWAY PP	959	8.500	07-15-89	959,221	836,249	8.500
CANADIAN NATL RAILWAY PP	500	9.000	07-01-91	500,000	444,300	9.000
CANADIAN NATL RAILWAY PP	1,000	9.250	03-15-98	1,000,000	678,500	9.250
CANADIAN NATL RAILWAY PP	10,125	10.125	07-02-90	10,125,000	352,827	10.125
CANADIAN PACIFIC EQUIPMENT TRUST PP	367	9.375	09-15-03	499,055	474,350	9.763
IMPERIAL OIL	500	9.750	12-01-04	484,727	443,750	9.763
MANITOBA HYDRO ELECTRIC BOARD	460	8.875	05-01-01	480,000	421,500	8.875
MUNICIPAL FINANCE AUTHORITY OF BC	500	9.875	05-01-01	500,000	439,063	8.775
MUNICIPAL FINANCE AUTHORITY OF BC	800	6.200	10-15-86	300,000	730,240	8.200
MUNICIPAL FINANCE AUTHORITY OF BC	500	9.375	05-01-01	500,000	428,750	8.375
NEW BRUNSWICK ELECTRIC POWER	500	10.500	09-15-00	500,000	475,000	10.500
NOVA SCOTIA POWER	1,000	9.500	03-15-96	1,000,000	902,400	9.500
ONTARIO HYDRO PP	500	8.500	06-01-03	498,043	395,250	8.650
QUEBEC HYDRO ELECTRIC	500	8.500	08-01-03	431,703	398,250	8.700
QUEBEC HYDRO ELECTRIC	500	8.250	01-01-04	498,022	372,021	8.290
QUEBEC HYDRO ELECTRIC	300	10.700	02-01-99	300,000	296,500	10.700
QUEBEC HYDRO ELECTRIC	200	10.700	08-01-99	200,000	199,000	10.700
QUEBEC HYDRO ELECTRIC	300	10.700	06-01-99	300,000	298,500	10.700

SUBCLASS TOTAL 13,906

13,676,405 12,376,703

CONVERTIBLE BONDS

ALUMINUM CO OF AMERICA CV	48	5.250	09-15-91	49,704	49,704	5.252
CAROLINA TELEPHONE CV	63	5.750	01-15-88	59,546	50,400	5.750
CITICORP CV	100	5.750	06-30-00	100,000	67,750	5.750
FIRST BANK SYSTEMS CV	100	5.250	06-30-00	100,000	61,000	5.250
HERCULES CV	200	6.500	06-30-99	200,000	145,000	6.500
MIC INVESTMENT CORP CV	55	5.000	12-15-93	55,000	31,702	5.000
MCGRAW HILL CV	49	3.675	06-01-92	47,424	29,094	3.675
JP MORGAN & CO CV	100	4.750	11-01-96	100,900	71,250	4.750
JP MORGAN & CO CV	50	4.750	11-21-96	50,000	35,625	4.750
PITTSTON CO CV	120	9.200	07-01-04	191,503	111,000	9.200

TEACHERS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
Convertible Bonds						
WEST POINT PEPPERELL INC CV	150	7.750	10-15-90	150,000	142,500	7.750
WEST POINT PEPPERELL INC CV	100	7.750	10-15-90	100,000	95,000	7.750
WITCO CHEMICAL CORP CV	20	4.500	12-15-93	20,000	15,625	4.500
SUBCLASS TOTAL	1,155			1,223,227	905,298	
SECURITY TOTAL	123,104			120,445,420	98,410,966	
Money Market Instruments						
US Repurchase Agreements						
REPO WELLS FARGO BANK SF	4,300	3.250	07-02-80	4,300,000	4,300,000	0.250
SUBCLASS TOTAL	4,300			4,300,000	4,300,000	
US Bankers Acceptance						
BANKERS ACCEPTANCES CONT'L ILL CHICAGO	2,000	8.250	07-16-80	1,987,167	1,992,667	8.250
SUBCLASS TOTAL	2,000			1,987,167	1,992,667	
SECURITY TOTAL	6,300			6,287,167	6,282,667	
Government Bonds						
US Government Obligations						
US TREASURY BONDS	500	7.875	02-15-00	485,786	405,600	6.207
SUBCLASS TOTAL	500			485,786	405,600	
SECURITY TOTAL	500			485,786	405,600	
Government Agencies						
US Government Agencies						
DAVERN PARK APTS INC	100	5.150	04-01-05	101,361	62,562	5.023
EL PASO COVE POINT TANKER CO US CO	500	3.100	03-31-03	500,000	303,200	3.100
MARTIN LUTHER TOWER INC	163	5.150	05-01-06	143,924	79,774	5.732
TWO BUTTES WATER FHA MORTGAGE	119	9.750	03-12-10	118,434	98,732	3.750
FEDERAL HOME LOAN MORTGAGE CORPORATION	413	8.200	09-15-07	411,115	356,050	8.246
FEDERAL HOUSING ADMINISTRATION	14	4.125	12-29-94	14,150	11,372	4.125
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000	8.550	09-12-83	996,126	893,200	8.580
GENIA PASS THROUGH	490	10,000	11-15-09	446,567	365,678	11.236

TEACHERS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	MARKET VALUE (000)	DATE	CONST	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
GATEWAY MANOR INC	100	5,000	02-01-04	100,000	51,780	5.000
GULF RESTON PROPERTIES PP	430	7,950	12-20-93	429,664	343,930	7.950
INTERNATIONAL BANK FOR RECONSTRUCTION	500	6,125	08-01-96	500,000	410,000	6.125
NORTHWEST SHIPPING CORP GG PP	962	8,350	07-01-96	962,000	796,921	8.350
PATRIOT V SHIPPING CORP US GG	1,000	8,100	04-12-94	1,000,000	811,300	8.100
ROCKY MOUNTAIN METHODIST HOMES INC	56	5,150	07-01-95	56,000	29,383	5.150
SEA TRAIN STUYVESANT US GG SHIP BONDS PP	943	7,950	09-30-97	942,721	746,447	7.950
US GG SHIP FINANCING BONDS LNG ARIES	500	8,200	12-13-92	500,000	412,050	8.200
TEXACO STAR TANKERS PP	1,000	9,250	07-08-99	1,000,000	690,500	9.250
WALNUT CREEK MANOR	91	5,150	10-01-04	91,060	48,021	5.150
SUBCLASS TOTAL	8,379			8,315,111	6,893,898	
SECURITY TOTAL	8,379			8,315,111	6,893,898	
MUNICIPAL BONDS						
STATE-DIRECT OR GUARANTEED						
SRS BUILDING	1,516	9,000	11-01-96	1,515,918	1,515,918	9.000
SUBCLASS TOTAL	1,516			1,515,918	1,515,918	
SECURITY TOTAL	1,516			1,515,918	1,515,918	
OTHER HOLDINGS						
BUILDINGS AND LAND	154	000	00-00-00	154,235	154,235	
COMMON STOCK	17,306	000	03-00-00	17,305,562	21,660,190	
MORTGAGES	38,411	000	00-00-00	38,411,037	38,411,037	
SUBCLASS TOTAL	55,871			55,870,834	60,165,462	
SECURITY TOTAL	55,871			55,870,834	60,165,462	
FUND TOTAL	195,670			192,920,238	173,684,511	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET YIELD	VALUE
CORPORATE BONDS						
INDUSTRIAL						
ALUMINUM CO OF AMERICA	1,000	7.450	11-15-96	901,450	3,651	760,600
ALUMINUM CO OF AMERICA	1,000	7.450	11-15-96	900,602	8,827	760,600
ALUMINUM CO OF AMERICA PP	1,521	4.375	03-31-68	1,294,734	1,007,206	7,472
AMERICAN CAN COMPANY	500	7.750	03-15-01	452,924	376,300	8,935
CARNATION PP	700	4.500	02-01-90	598,657	451,430	7,063
CARNATION PP	367	5.000	04-01-91	317,609	236,018	7,218
CATERPILLAR TRACTOR	500	8.000	11-01-01	500,000	397,750	6,000
CATERPILLAR TRACTOR	500	8.000	11-01-01	500,000	397,750	8,000
CITIES SERVICE PP	2,000	8.250	06-01-91	1,999,067	1,694,200	6,265
CONTINENTAL OIL PP	560	5.875	12-01-89	501,065	403,312	7,756
DIAMOND SHAMROCK	500	8.500	04-01-08	491,325	393,800	6,680
DOW CHEMICAL CO	400	7.875	07-15-07	397,293	306,240	7,241
FMC CORP	400	9.500	01-15-00	336,667	352,150	9,506
GENERAL MILLS	500	9.375	03-01-09	495,417	439,103	8,466
HERCULES INC	500	8.750	04-01-83	500,000	489,550	8,750
HERSHEY FOODS	400	9.500	03-15-02	398,565	356,639	9,538
HONEYWELL	500	9.375	06-15-09	500,000	435,150	9,375
INLAND STEEL	400	7.900	01-15-07	400,000	291,200	7,900
I B M	500	9.375	10-01-04	419,445	461,250	11,263
INTERNATIONAL PAPER CO	500	8.350	12-15-00	500,000	423,750	6,650
KERR MCGEE CORP	250	8.500	06-01-06	248,375	202,000	8,570
MARATHON OIL	300	7.650	11-01-83	300,000	280,350	7,650
METICK & CO	500	7.875	06-15-85	500,000	459,200	7,875
MONTGOMERY WARD CREDIT	500	9.375	05-15-84	499,115	474,800	9,438
OWENS ILLINOIS PP	1,000	7.625	04-01-01	896,043	742,100	6,890
OWENS ILLINOIS PP	1,710	6.000	02-01-91	615,034	448,862	7,230
PFIZER INC	500	8.875	08-15-85	500,000	473,000	8,675
PHILIP MORRIS	250	8.075	06-01-04	237,574	207,175	9,503
PHILIP MORRIS PP	1,074	5.150	11-01-89	929,915	539,041	7,702
PHILLIPS PETROLEUM PP	1,476	5.375	07-01-81	1,302,560	957,038	7,273
REPROCO (PHILLIPS PETROLEUM) PP	279	7.000	01-15-95	251,815	203,204	8,346
RJ REYNOLDS INDUSTRIES	500	8.000	01-15-07	500,000	390,600	8,000
SCOTT PAPER	500	8.750	01-15-00	500,000	415,450	8,750
GD SEARLE	300	8.000	06-15-81	299,880	294,630	8,053
SEARS ROEBUCK & CO	300	7.875	02-01-07	299,202	225,720	7,901
SEARS ROEBUCK & CO	500	7.875	02-01-07	498,670	376,200	7,901
SHELL OIL PP	600	5.000	03-15-91	494,130	392,160	7,946
SHELL OIL PP	500	5.000	03-15-91	434,793	326,000	7,162
SHELL OIL PP	600	4.500	04-15-90	541,638	405,649	7,012
SHELL OIL BT ALASKA PP	368	8.400	03-14-01	339,054	275,685	8,406
SHERWIN WILLIAMS	500	9.450	12-01-99	500,000	375,600	9,450
SQUIBB CORP	200	8.000	08-15-85	200,000	182,100	8,000
STAFA INC PP	94	4.625	04-01-80	78,294	62,600	7,755
STAFA INC PP	73	4.500	08-01-88	61,671	49,607	7,639
STAFA INC PP	117	4.625	03-01-90	96,303	76,187	7,862
STANDARD OIL OF INDIANA	200	9.200	07-15-04	200,000	178,120	9,200
STANDARD OIL OF INDIANA	300	9.200	07-15-04	300,000	287,180	9,200
STATEWIDE STATIONS	21	5.375	00-15-96	701,207	493,914	7,275

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
!INDUSTRIAL						
STAUFFER CHEMICAL CO	500	8.125	06-01-96	469,250	405,750	9.000
STUDEBAKER WORTHINGTON	500	9.350	11-15-03	500,000	413,250	9.350
TEXACO INC	500	7.750	06-01-01	460,450	393,050	8.707
TEXACO INC	500	8.500	04-01-06	494,264	407,750	8.617
TEXACO INC PP	725	4.500	12-15-89	616,394	469,655	7.237
TEXACO INC PP	878	4.500	12-15-89	716,828	568,768	7.726
TRIANGLE FACILITIES PP	365	4.750	12-01-87	326,531	256,376	6.830
UNION OIL CO OF CALIFORNIA	500	8.625	03-01-06	496,780	415,150	8.695
UNION OIL CO OF CALIFORNIA	500	8.625	03-01-06	496,780	415,150	8.635
US GYPSUM	1,000	7.875	01-01-04	934,564	762,200	8.630
XEROX CORP PP	275	5.375	04-01-91	242,671	186,065	7.181
SUBCLASS TOTAL				30,547,459	24,892,382	
BANKS AND INSURANCE						
AEATNA LIFE & CASUALTY CO	500	8.125	10-15-07	497,724	364,800	6.169
AMERICAN GENERAL INSURANCE CO	500	9.375	12-15-08	496,443	427,700	9.450
AMERICAN GENERAL INSURANCE CO	500	9.375	11-01-02	488,881	427,700	9.450
BANKERS TRUST NEW YORK CORP	500	8.625	08-01-02	497,655	369,650	8.649
CHEMICAL NEW YORK	500	8.250	02-15-07	239,836	375,300	8.300
CITICORP NOTES	500	8.450	03-15-07	239,836	383,800	12.700
MANUFACTURERS HANOVER	1,000	8.125	09-15-07	994,342	739,500	8.180
NORTHWEST BANCORPORATION	350	7.875	09-15-86	349,728	308,436	7.890
NORTHWEST BANCORPORATION	150	7.875	09-15-86	149,683	162,188	7.890
US BANCORP	500	7.750	02-15-87	500,000	426,900	7.750
WESTERN BANCORP	1,000	12.250	05-15-10	992,024	1,000,000	12.350
SUBCLASS TOTAL	6,000			5,312,959	4,975,976	
OTHER FINANCIAL						
BENEFICIAL CORP	500	8.350	02-15-88	500,000	433,500	9.350
FORD MOTOR CREDIT	500	8.700	04-01-99	487,426	373,400	9.000
GENERAL ELECTRIC CREDIT PP	1,000	4.650	05-15-96	876,751	711,400	8.000
GENERAL MOTORS ACCEPTANCE CORP	400	7.350	01-15-67	400,000	343,960	7.350
GENERAL MOTORS ACCEPTANCE CORP	500	8.200	02-15-82	500,000	435,850	8.200
HOUSEHOLD FINANCE CORP	500	10.500	09-15-91	500,000	463,500	10.500
NATIONAL RURAL UTILITIES	500	9.750	04-01-09	497,699	426,800	9.800
SUBCLASS TOTAL	3,900			3,761,876	3,198,410	

SECURITY	1-11-65-1 (CCC)	1-11-65-1 (Aa1L)	MATURITY DATE	COST	MARKET VALUE	YIELD
TRANSPORTATION EXCL. RAILROADS						
COLONIAL PIPELINE PP	1,232	4 376	06-01-90	1,070,303	803,510	7.006
CONTINENTAL PIPELINE PP	350	7 500	05-01-91	334,478	263,865	8.116
PANHANDLE EASTERN PIPELINE	500	15 125	04-01-95	495,082	575,000	15.293
SUBCLASS TOTAL	2,082			1,899,863	1,642,375	
 RAILROADS						
GENERAL AMERICAN TRANSPORTATION PP	300	7 875	12-01-80	300,000	273,990	7.375
MISSOURI PACIFIC RR PP	933	9 750	06-01-81	933,333	815,267	8.750
TRAILER TRAIN PP	500	8 750	04-01-89	500,000	424,000	8.750
UNION PACIFIC RR EQUIP TRUST PP	693	6 625	02-01-83	881,003	831,218	7.278
SUBCLASS TOTAL	2,626			2,614,336	2,344,475	
 UTILITIES						
AMERICAN TEL & TEL	150	4 750	11-01-92	123,819	- 94,080	7.426
AMERICAN TEL & TEL	2,000	4 750	11-01-92	1,651,980	1,254,400	7.416
AMERICAN TEL & TEL	1,000	5 125	04-01-01	720,464	571,000	8.461
CINCINNATI GAS & ELECTRIC	500	5 625	07-01-97	391,172	320,000	8.706
COMMONWEALTH EDISON PP	500	9 125	06-01-98	500,000	446,500	9.125
CONSUMERS PCWER PP	500	10 625	07-01-92	500,000	466,500	10.625
DUKE POWER	500	8 125	11-01-03	414,131	375,000	10.500
DUQUESNE LIGHT	500	10 125	02-01-09	494,623	444,450	10.244
EL PASO ELECTRIC PP	1,000	9 950	05-01-04	1,000,000	911,700	9.950
FLORIDA POWER CORP	800	9 000	11-01-00	756,134	650,000	9.670
GENERAL TEL CALIFORNIA	2,000	1 750	10-01-09	1,953,649	1,842,600	11.022
GULF POWER	500	15 000	02-01-10	484,061	561,900	15.500
GULF STATES UTILITIES	750	9 625	02-01-95	595,076	485,622	9.622
HARTFORD ELECTRIC LIGHT	300	5 625	04-01-97	252,845	173,640	7.664
HAWAIIAN TELEPHONE	500	6 500	04-01-06	495,704	321,900	8.593
HOUSTON LIGHTING & POWER	1,000	5 250	04-01-95	823,810	597,500	7.766
HOUSTON LIGHTING & POWER	1,000	6 155	02-01-04	918,153	782,700	9.116
IDAHO POWER	300	9 000	08-15-06	296,482	241,500	9.122
ILLINOIS BELL TELEPHONE	1,000	6 500	07-01-96	800,478	651,000	6.584
INDIANA BELL TEL	500	5 500	04-01-07	206,310	169,890	9.205
INTERNATIONAL TEL & TEL	1,000	12 625	02-01-05	913,680	1,035,000	13.880
LOUISVILLE GAS & ELECTRIC	500	5 625	06-01-90	255,840	313,750	13.161
MONGOMAHEA POWER	200	5 500	03-01-96	161,156	113,750	8.203
MONTANA POWER	500	9 875	01-01-99	496,606	380,000	9.919
MOUNTAIN STATES TEL & TEL	1,000	5 125	04-01-01	705,461	557,500	8.816
MOUNTAIN STATES TEL & TEL	500	8 625	04-01-18	495,280	401,050	8.710
NEW YORK STATE ELECTRIC & GAS	200	5 625	01-01-07	167,500	118,500	7.753

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	CCST	MARKEt VALUE	YIELD
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UTILITIES

NORTHERN STATES POWER	500	9.500	05-01-05	497,925	425,400	9.549
OKLAHOMA GAS & ELECTRIC	1,000	4.500	03-01-95	642,876	557,500	9.201
OKLAHOMA GAS & ELECTRIC	750	4.500	03-01-95	530,270	412,125	8.622
OTTER TAIL POWER	500	9.625	11-01-05	500,000	418,750	9.625
PACIFIC GAS & ELECTRIC	400	5.000	06-01-09	347,784	278,160	7.552
PACIFIC GAS & ELECTRIC	300	5.750	12-01-98	254,939	181,890	7.595
PACIFIC GAS & ELECTRIC	500	12.750	02-01-13	500,000	515,000	12.750
PACIFIC TEL & TEL	1,000	6.000	11-01-02	801,636	595,000	8.292
PACIFIC TEL & TEL	500	9.875	02-15-16	500,000	426,650	9.875
PACIFIC TEL & TEL	500	9.750	07-01-19	500,000	421,250	9.750
PACIFIC TEL & TEL	500	9.750	07-01-19	500,000	421,250	9.750
PACIFIC TEL & TEL	500	15.125	03-01-83	500,000	571,875	15.125
PACIFIC TEL & TEL	1,000	15.500	03-01-20	996,816	1,170,000	15.549
PUBLIC SERVICE INDIANA	500	8.125	10-01-07	489,763	379,400	6.329
SOUTHERN CALIFORNIA EDISON	635	5.250	05-15-91	549,925	415,925	7.525
SOUTHERN CALIFORNIA EDISON	1,000	6.625	11-01-03	993,452	862,962	9.700
SOUTHERN CALIFORNIA GAS	500	12.750	11-01-99	500,000	504,400	12.750
SOUTHERN COUNTIES GAS CALIFORNIA	300	4.750	08-01-90	250,171	193,500	7.718
TEXAS ELECTRIC SERVICE	500	9.500	02-01-09	496,656	436,850	9.571
UTAH POWER & LIGHT	300	6.375	09-01-06	295,735	229,140	6.520
UTAH POWER & LIGHT	1,000	9.125	05-01-08	1,000,000	825,000	9.125
SUBCLASS TOTAL	31,685			26,238,424	24,561,707	

CANADIAN

BELL TELEPHONE OF CANADA	500	9.000	01-15-08	500,000	427,500	9.000
BRITISH COLUMBIA HYDRO & POWER	300	5.625	07-02-91	255,866	210,750	8.150
BRITISH COLUMBIA HYDRO & POWER	500	9.625	06-01-05	493,962	456,300	9.650
BRITISH COLUMBIA HYDRO & POWER	500	6.375	06-15-07	500,000	460,781	8.375
BRITISH COLUMBIA HYDRO & POWER PP	1,000	9.525	07-15-93	1,000,000	911,200	9.625
CANADIAN NATL RAILWAY PP	1,000	9.250	03-15-98	1,000,000	876,500	9.250
IMPERIAL OIL	500	9.750	09-15-09	499,055	474,350	8.769
MANITOBA HYDRO ELECTRIC BOARD	500	9.250	06-15-04	474,798	440,600	9.680
NEW BRUNSWICK ELECTRIC POWER	500	10.500	10-01-95	497,140	500,000	10.591
ONTARIO HYDRO PP	1,000	9.500	03-15-96	1,000,000	1,902,400	9.500
SUBCLASS TOTAL	6,300			6,225,821	5,662,981	
SECURITY TOTAL	85,400			79,100,738	67,278,306	
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
REPO WELLS FARGO BANK SF						
						8.250

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
Subclass Total	3,900			3,900,000	3,900,000	
US BANKERS ACCEPTANCE						
BANKERS ACCEPTANCE MANUF HANOVER	2,000	8.250	07-18-80	1,986,250	1,981,750	6.210
Subclass Total	2,000			1,936,250	1,921,750	
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY BONDS	500	7.875	02-15-00	405,786	405,600	5.207
Subclass Total	500			435,786	405,600	
US GOVERNMENT AGENCIES						
AMERICAN EXPORT LIGHTING MM BONDS PP	2,921			2,921,000	2,236,302	
AMERICAN EXPORT MM BONDS PP	2,057			2,057,000	1,527,117	
AMERICAN EXPORT STAGHOUND MM BONDS PP	2,928			2,928,000	2,242,262	
AMERICAN PRESIDENT LINES MM BONDS	200			200,812	161,780	
BOSTON TANKERS MM BONDS CORP 1PP	118			118,000	96,500	
BOSTON TANKERS MM BONDS CORP 1PP	6			6,000	4,200	
BOSTON TANKERS MM BONDS CORP 1PP	237			226,412	193,619	
BOSTON TANKERS MM BONDS CORP 2PP	753			715,362	614,225	
BOSTON TANKERS MM BONDS CORP 2PP	8			8,000	6,532	
BOSTON TANKERS MM BONDS CORP 2PP	116			116,000	94,714	
BOSTON TANKERS MM BONDS CORP 3PP	117			117,000	95,273	
BOSTON TANKERS MM BONDS CORP 3PP	3			3,000	6,514	
BOSTON TANKERS MM BONDS CORP 4PP	119			119,000	96,902	
BOSTON TANKERS MM BONDS CORP 4PP	9			9,000	7,329	
US GOVT MERCHANT MARINE DELTA SS	200			199,059	146,160	
EL PASO ARZEN TANKER CO US CG	500			500,000	408,400	
EL PASO SAVANNAH TANKER CG	200			200,000	164,080	
EL PASO SOUTHERN TANKER CG	200			200,000	164,080	
EL PASO SOUTHERN TANKER CG	300			300,000	246,120	
EL PASO SOUTHERN TANKER CG	100			100,000	81,680	
FALCON TANKERS COUNTLESS US CG	100			400,000	195,009	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	LOSS	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
FARMERS HOME ADMINISTRATION NOTES	500	6.400	03-31-31	498,322	479,350	6.818
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	500	7.150	05-26-97	493,623	355,000	7.300
FEDERAL LAND BANKS	120	6.700	04-20-81	120,000	117,800	6.700
FEDERAL LAND BANKS	50	6.700	04-20-81	50,042	49,125	6.554
FEDERAL LAND BANKS	140	6.700	04-26-81	139,679	137,550	6.849
FEDERAL LAND BANKS	100	6.900	04-20-82	100,000	96,000	6.900
FEDERAL LAND BANKS	100	6.900	04-20-82	100,000	95,000	6.900
FEDERAL LAND BANKS	100	6.900	04-20-82	100,000	96,000	6.900
FEDERAL LAND BANKS	100	6.900	04-20-82	100,000	96,000	6.900
FEDERAL NATIONAL MORTGAGE ASSOCIATION	500	6.550	03-12-88	498,750	449,100	6.560
GNMA PASS THROUGH	269	6.500	02-15-02	260,761	175,747	6.313
GNMA PASS THROUGH	612	6.500	06-15-03	550,464	397,516	7.606
GNMA PARTICIPATION CERTIFICATE	559	6.000	12-15-03	540,713	131,343	3.382
GNMA PASS THROUGH	400	6.400	12-11-87	388,433	316,480	7.040
LITTON HULL 102 SYSTEM MM PP	997	10.000	11-15-00	893,134	931,355	1.235
LYKES BROS STEAMSHIP MM BONDS SERIES SS	556	7.375	12-12-98	411,220	326,900	7.374
LYKES BROS STEAMSHIP MM BONDS SERIES SS	192	8.300	09-15-91	571,557	485,221	7.752
MARINE SHIP LEASING CORP US GG PP	548	7.875	06-15-90	192,000	159,091	7.700
MARINE VESSEL LEASING CORP US GG PP	452	7.875	09-12-95	548,148	456,059	6.745
NORTHWEST SHIPPING CORP US GG PP	431	6.350	10-14-95	451,852	359,719	7.675
OVERSEAS BULK TANK MM BONDS PP	241	7.375	07-01-96	481,000	396,460	8.350
OVERSEAS BULK TANK MM BONDS PP	483	7.375	12-27-93	241,442	162,047	7.375
OVERSEAS BULK TANK MM BONDS PP	483	7.375	12-27-93	482,883	364,094	7.375
PATRIOT V SHIPPING CORP US GG	500	8.100	04-12-04	482,883	364,094	7.375
PATRIOT II SHIPPING CORP US GG	100	8.000	12-07-03	100,000	405,650	8.100
PATRIOT III SHIPPING CORP US GG	400	8.000	08-07-04	400,000	77,640	8.200
PATRIOT IV SHIPPING CORP US GG PP	482	8.000	12-07-86	482,000	395,520	8.000
SEA TRAIN STUYVESANT US GG SHIP BONDS PP	471	7.950	09-30-97	471,347	373,212	7.950
SUN SHIPBUILDING MM	195	7.900	01-01-24	195,000	157,014	7.900
SUN SHIPBUILDING MM	460	7.900	01-01-24	460,000	370,392	7.900
US GG SHIP FINANCING BONDS LNG ARIES	250	8.200	12-13-02	241,621	206,025	8.549
ZAPATA US GG	300	8.625	06-15-96	253,920	260,500	10.700
SUBCLASS TOTAL	23,774				23,476,276	19,053,638
SECURITY TOTAL	23,774				23,476,276	19,053,638
FUND TOTAL	115,572				108,949,050	91,629,294

WORKERS' COMPENSATION FUND

SECURITY	YEAR VALUE (000)	INTEREST RATE	MATURITY DATE	CCST	MAR CT VIE'D	VALUE
CORPORATE BONDS INDUSTRIAL						
BORDEN	500	9.375	06-15-09	500,000	9.375	445,050
CATERPILLAR TRACTOR	500	8.000	11-01-01	500,000	397,750	397,750
CONTINENTAL OIL	500	8.675	06-01-01	428,354	3,900	3,900
DOW CHEMICAL CO	600	7.625	07-01-03	511,680	3,201	3,201
DOW CHEMICAL CO	500	8.500	01-15-06	500,000	404,350	6,500
DOW CHEMICAL CO	500	7.875	07-15-07	496,617	382,800	7,941
GENERAL MILLS	500	9.375	03-01-09	495,447	439,100	9,400
GOODYEAR TIRE & RUBBER CO	200	7.350	09-15-97	200,000	132,380	7,350
GOODYEAR TIRE & RUBBER CO	200	7.350	09-15-97	200,000	132,800	7,350
HERCULES INC	500	8.750	04-01-63	500,000	460,550	8,750
INLAND STEEL	500	9.500	09-01-00	497,981	430,650	5,500
KERR MCGEE CORP	500	8.500	06-01-05	496,750	404,000	8,570
KRAFTCO CORP	200	8.375	04-15-04	198,809	163,700	8,414
KRAFTCO CORP	200	8.375	04-15-04	198,809	163,700	8,414
J RAY MCDERMOTT & CO	500	9.625	03-15-04	498,813	433,000	9,651
3M COMPANY	500	8.200	04-01-85	500,000	466,160	8,200
MOBIL CORPORATION	25	8.500	06-15-01	24,262	20,500	5,500
MOUNTAIN FUEL SUPPLY CO PP	470	8.750	04-15-99	470,000	381,875	8,750
NL INDUSTRIES	600	7.500	12-15-95	542,623	454,500	5,706
PEPSICO	500	8.625	05-15-01	499,343	492,250	8,870
PFIIZER INC	500	8.875	08-15-85	500,000	473,000	8,375
PHILLIP MORRIS PP	1,000	9.675	11-30-98	1,000,000	820,500	8,875
RCA CORPORATION	500	10.200	08-15-92	500,000	495,000	10,000
RJ REYNOLDS INDUSTRIES	500	8.000	01-15-07	500,000	350,000	8,000
GD SEARLE	300	7.500	12-01-80	300,063	290,120	7,430
SEARS ROEBUCK & CO	500	8.625	10-01-95	473,658	422,650	9,300
SEARS ROEBUCK & CO	400	8.000	04-01-06	399,140	305,840	8,026
SEARS ROEBUCK & CO	100	8.000	04-01-06	399,140	305,840	8,026
SHERWIN WILLIAMS	500	9.450	12-01-59	500,000	375,000	9,450
STANDARD OIL OF CALIFORNIA	600	8.750	07-01-05	595,610	512,340	8,833
STANDARD OIL OF CALIFORNIA	500	8.750	07-01-05	468,919	426,450	8,421
STANDARD OIL OF INDIANA	300	6.000	09-15-91	293,536	226,460	6,368
STANDARD OIL OF INDIANA	500	7.875	08-01-07	498,307	391,800	7,800
SYSTEMS BUILDING CORP PP	432	8.000	07-01-97	422,134	329,320	5,000
TEXACO INC	500	8.500	04-01-06	496,781	407,750	8,500
TEXACO INC	200	8.500	04-01-06	193,713	163,100	8,569
UNION OIL CO OF CALIFORNIA	800	8.625	03-01-06	734,863	664,240	8,695
WESTVACO CORP	500	9.750	04-01-00	500,000	446,200	9,750
WEYERHAEUSER CO	500	7.950	08-15-06	498,356	323,300	7,980
SUBCLASS TOTAL	17,627			14,738,467	14,738,467	
BANKS AND INSURANCE						
CITICORP NOTES	500	8.450	03-15-07	493,520	383,800	8,500
CITICORP NOTES	500	8.450	03-15-07	493,520	383,800	8,500

SECURITY	FVR VALUE (000)	INTEREST RATE	PRINCIPAL DATE	COST	MARKET VALUE	YIELD
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BANKS AND INSURANCE

CITICOPP NOTES	500	8.125	07-01-07	495,498	369,950	8.215
CROCKER NATIONAL	500	8.600	12-01-02	497,754	384,100	8.643
FIRST CHICAGO CORP NOTES	500	6.750	11-01-80	499,844	493,150	6.870
INDUSTRIAL NATIONAL CORPORATION NOTES	600	7.400	07-01-81	600,000	578,280	7.400
MANUFACTURERS HANCOVER	500	7.600	09-01-81	500,000	438,000	7.600
SECURITY PACIFIC CORP	500	7.700	02-15-82	500,000	482,350	7.700
UNITED STATES NATL BANK OF OREGON NOTES	400	7.750	01-15-02	400,000	279,520	7.750
WELLS FARGO & CO	500	8.600	04-01-02	500,000	393,050	8.600
SUBCLASS TOTAL	5,000			4,831,461	4,231,000	

OTHER FINANCIAL

BENEFICIAL CORP	500	8.300	06-01-03	500,000	375,300	8.300
COMMERCIAL CREDIT CORPORATION	200	7.750	02-15-92	196,815	150,440	7.851
COMMERCIAL CREDIT CORPORATION	200	7.750	02-15-92	198,815	150,440	7.851
COMMERCIAL CREDIT CORPORATION	200	7.750	02-15-92	198,815	150,440	7.851
GENERAL MOTORS ACCEPTANCE CORP	500	7.250	11-01-98	500,000	383,150	7.350
GENERAL MOTORS ACCEPTANCE CORP	500	7.350	01-15-07	500,000	429,950	7.350
GENERAL MOTORS ACCEPTANCE CORP	500	8.000	07-15-07	496,055	376,150	8.078
GENERAL MOTORS ACCEPTANCE CORP	500	6.200	02-15-88	500,000	425,850	6.200
HONEYWELL FINANCE	500	8.200	12-15-98	500,000	377,750	8.200
HOUSEHOLD FINANCE CORP	100	8.375	10-01-03	93,311	77,410	8.450
HOUSEHOLD FINANCE CORP	400	3.375	10-01-03	307,243	309,640	8.450
SUBCLASS TOTAL	4,100			4,069,054	3,216,520	

TRANSPORTATION EXCL. RAILROADS

ARCO PIPELINE CO	500	8.375	07-15-83	499,047	475,200	8.456
ARCO PIPELINE CO	500	7.500	10-01-82	500,000	477,850	7.500
MOBIL ALASKA PIPELINE	500	8.450	06-01-05	500,000	406,400	8.450
SCHIO BP TRANS ALASKA PIPELINE	500	9.750	12-01-93	528,956	458,350	9.658
SUBCLASS TOTAL	2,000			2,328,005	1,817,300	

RAILROADS

BURLINGTON NORTHERN	600	8.15-82	200,000	155,000	8.600	
GENERAL AMERICAN TRANSPORTATION CO	600	7.375	12-01-83	500,000	466,650	7.375
SOUTHERN PACIFIC TRANSPORTATION	800	8.200	12-01-01	500,000	370,000	8.200
UNION PACIFIC RR	900	9.000	12-01-01	500,000	484,300	9.000

WORKERS' COMPENSATION FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	NAME & FIELD VALUE
RAILROADS					
UNION PACIFIC RR EQUIP TRUST	500	7.500	01-01-87	500,000	431,600
SUBCLASS TOTAL	2,200			2,200,000	1,897,550
UTILITIES					
ALABAMA POWER CO	500	10.500	12-01-05	500,000	412,300
AMERICAN TEL & TEL	300	4.375	04-01-05	281,314	247,230
AMERICAN TEL & TEL	550	4.625	02-01-94	464,677	330,000
AMERICAN TEL & TEL	900	4.625	02-01-94	760,380	540,000
AMERICAN TEL & TEL	350	4.625	02-01-94	295,703	210,000
AMERICAN TEL & TEL	850	4.750	06-01-98	703,095	474,355
AMERICAN TEL & TEL	300	7.000	02-15-01	298,454	216,930
AMERICAN TEL & TEL	500	7.125	12-01-03	490,055	362,150
AMERICAN TEL & TEL	220	6.100	11-01-03	220,000	167,200
CAROLINA TEL & TEL	300	9.250	05-01-05	298,058	244,140
CENTRAL ILLINOIS LIGHT	200	9.250	05-01-06	198,705	162,760
CENTRAL ILLINOIS LIGHT	276	8.000	07-01-94	276,349	216,329
CENTRAL TEL	500	8.250	12-01-07	490,852	368,250
COMMONWEALTH EDISON	500	9.250	07-01-95	500,000	453,300
CONSOLIDATED NATURAL GAS	200	8.125	06-01-97	148,580	158,500
CONSOLIDATED NATURAL GAS	500	8.500	01-01-04	502,539	389,750
FLORIDA POWER & LIGHT	500	9.875	12-01-05	496,374	435,650
GENERAL TEL SOUTHWEST	300	15.000	02-01-10	434,061	591,900
GULF POWER	500	12.625	02-01-05	456,840	517,500
INTERNATIONAL TEL & TEL	193	8.450	08-01-91	193,000	159,476
KANSAS NEBRASKA NATURAL GAS	90	8.450	08-01-91	90,000	74,367
KANSAS NEBRASKA NATURAL GAS	300	7.875	08-01-02	300,000	214,500
KENTUCKY POWER	400	4.625	03-01-96	331,134	222,520
MICHIGAN BELL TEL	300	7.875	12-01-96	300,000	225,000
MINNESOTA GAS	100	7.275	12-01-96	100,000	75,000
MOUNTAIN STATES TEL & TEL	500	3.700	09-01-81	500,000	425,650
NEW ENGLAND TEL & TEL	300	6.375	09-01-03	300,761	189,950
NEW YORK TEL	450	7.500	03-01-09	455,144	328,155
NORTHERN INDIANA PUBLIC SERVICE	150	6.375	09-01-97	122,643	99,570
NORTHERN INDIANA PUBLIC SERVICE	100	10.400	09-01-04	100,000	82,130
NORTHERN INDIANA PUBLIC SERVICE	100	10.400	09-01-04	100,000	92,130
NORTHERN INDIANA PUBLIC SERVICE	300	10.400	03-01-04	300,000	276,390
OHIO BELL TEL	350	6.750	07-01-03	351,011	232,330
OHIO EDISON	200	9.250	05-01-06	200,585	162,260
PACIFIC GAS & ELECTRIC	500	12.750	02-01-13	300,000	515,000
PACIFIC TEL & TEL	300	6.660	11-01-02	351,595	108,250
PACIFIC TEL & TEL	200	6.000	11-01-02	154,774	119,000
PACIFIC TEL & TEL	35	7.860	03-01-07	35,000	24,838
PACIFIC TEL & TEL	145	7.000	03-01-07	115,000	81,801
PACIFIC TEL & TEL	500	6.01-88	03-01-07	560,000	571,875
		15 145			15 125

SECURITY	PAR VALUE (000)	INTEREST RATE	MARKET DATE	YIELD
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UTILITIES

PUBLIC SERVICE ELECTRIC & GAS	9	7,750	03-15-96	9,000	6,672	7,750
SOUTH CAROLINA ELECTRIC & GAS	500	10,125	04-01-09	496,397	420,000	10,204
SOUTH CENTRAL BELL TEL	500	8,250	03-01-17	497,339	307,900	8,300
SOUTH CENTRAL BELL TEL	500	8,250	03-01-17	499,424	387,900	8,260
SOUTHERN CALIFORNIA GAS	400	3,500	10-01-97	322,098	320,000	11,100
SOUTHERN NEW ENGLAND TEL	306	7,750	06-01-04	308,518	223,013	7,650
SOUTHWESTERN BELL TEL	100	8,750	08-01-07	100,365	81,730	8,703
SOUTHWESTERN BELL TEL	450	8,250	04-01-17	431,871	349,065	8,632
TEXAS ELECTRIC SERVICE	500	9,500	02-01-09	496,655	436,850	9,577
UTAH POWER & LIGHT	500	10,125	04-01-09	498,799	443,150	10,150
SUBCLASS TOTAL		17,744		16,936,750	14,264,667	

SUBCLASS TOTAL

CANADIAN

BELL TELEPHONE OF CANADA	500	9,000	01-15-08	500,000	427,500	9,000
BRITISH COLUMBIA HYDRO & POWER	500	9,625	06-01-05	498,962	456,900	9,650
BRITISH COLUMBIA HYDRO & POWER	1,000	8,375	06-15-07	1,000,000	921,563	8,375
MANITOBA HYDRO ELECTRIC BOARD	500	8,000	10-15-03	496,113	396,500	8,089
MANITOBA HYDRO ELECTRIC BOARD	500	9,375	12-01-04	496,347	443,750	9,450
MANITOBA HYDRO ELECTRIC BOARD	500	9,500	10-01-85	500,000	482,500	9,500
MANITOBA HYDRO ELECTRIC BOARD	500	9,250	01-15-06	200,000	440,000	9,250
MUNICIPAL FINANCE AUTHORITY OF BC	490	6,875	05-01-01	490,000	450,261	6,875
MUNICIPAL FINANCE AUTHORITY OF BC	300	6,200	10-15-86	300,000	273,840	8,200
NEW BRUNSWICK ELECTRIC POWER	300	9,375	05-01-01	303,000	457,250	9,375
QUEBEC HYDRO ELECTRIC	400	8,500	06-01-03	338,460	317,000	8,500
QUEBEC HYDRO ELECTRIC	200	3,250	01-01-04	199,217	148,613	8,295
QUEBEC HYDRO ELECTRIC	200	10,250	01-15-05	200,000	186,000	10,250
QUEBEC HYDRO ELECTRIC	400	10,250	01-15-05	400,000	372,000	10,250
SUBCLASS TOTAL		6,290		6,279,692	5,549,897	

SECURITY TOTAL

MONEY MARKET INSTRUMENTS US REPURCHASE AGREEMENTS	500	8,500	07-01-80	500,000	560,000	8,500
REPO WELLS FARGO BANK SF				500,000	500,000	
SUBCLASS TOTAL						
SECURITY TOTAL				500,000	500,000	

SECURITY	PAR VALUE (1000)	INTEREST RATE	MATURITY DATE	COST	MAINTENANCE VALUE
GOVERNMENT BONDS					
US GOVERNMENT OBLIGATIONS					
US TREASURY BONDS					
SUBCLASS TOTAL	500	7.875	02-15-00	485,786	485,690
SECURITY TOTAL	500			485,786	485,690
GOVERNMENT AGENCIES					
US GOVERNMENT AGENCIES					
US GG SHIP FINANCING BONDS LNG AQUARIUS	500	7.650	12-07-86	500,000	435,500
US GG SHIP FINANCING BONDS LNG AQUARIUS	1,500	8.000	06-07-02	1,500,000	1,217,250
EL PASO ARZEW TANKER CO US GG	500	8.100	03-31-05	500,000	6,000
INTERNATIONAL BANK FOR RECONSTRUCTION	400	8.125	08-01-96	400,000	8,100
NRTHWEST SHIPPING CORP GG PP	481	8.350	07-01-96	481,000	8,125
US GG SHIP FINANCING BONDS LNG ARIES	500	7.650	12-13-87	500,000	898,460
US GG SHIP FINANCING BONDS J STORM VI PP	1,000	8.250	12-15-92	1,000,000	435,500
SUBCLASS TOTAL	4,881			4,381,000	4,071,710
SECURITY TOTAL	4,881			4,381,000	4,071,710
OTHER HOLDINGS					
MORTGAGES					
SUBCLASS TOTAL	347	.000	00-00-00	346,969	346,969
SECURITY TOTAL	347			346,969	346,969
FUND TOTAL	61,189			59,359,191	50,780,332

HIGHWAY BUILDING COMPLEX SINKING FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL HOME LOAN BANKS	300	7.650	05-26-87	290,741	260,250	7.670
FEDERAL INTERMEDIATE CREDIT BANKS	100	7.000	04-01-82	100,000	96,250	7.000
FEDERAL INTERMEDIATE CREDIT BANKS	200	7.000	04-01-82	200,000	192,500	7.000
SUBCLASS TOTAL	600			599,741	349,000	
SECURITY TOTAL	600			599,741	549,000	
FUND TOTAL	600			599,741	549,000	

STATEWIDE POLICE RESERVE FUND

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SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
ARMCO STEEL	150	8.500	09-01-01	149,619	116,912	6.500
CATERPILLAR TRACTOR	200	6.000	11-01-01	200,000	159,100	6.000
DIAMOND SHAMROCK	100	7.700	12-15-01	100,000	71,460	7.700
INLAND STEEL	100	7.900	01-15-07	100,000	72,800	7.900
MARATHON OIL	200	8.500	11-01-06	139,122	164,420	8.550
MARATHON OIL	100	7.650	11-01-03	100,000	93,450	7.650
SEARS ROEBUCK & CO	200	7.875	02-01-07	199,468	150,480	7.901
STUDEBAKER WORTHINGTON	100	9.350	11-15-03	100,000	32,650	9.350
UNION CARBIDE CCRP	100	7.500	12-15-06	99,471	71,650	7.500
WEYERHAUSER CO	100	7.250	08-15-06	99,671	76,360	7.250
SUBCLASS TOTAL	1,350			1,347,351	1,059,570	
BANKS AND INSURANCE						
AETNA LIFE & CASUALTY CO	100	8.125	10-15-07	99,545	76,960	8.160
MANUFACTURERS HANOVER	100	8.125	08-15-07	99,434	73,950	8.120
NORTHWEST BANCORPORATION	100	7.875	09-15-05	99,922	83,125	7.890
SAFECO CORP	100	7.600	12-15-86	100,000	85,000	7.600
US BANCORP	150	7.750	02-15-87	150,000	128,070	7.750
SUBCLASS TOTAL	550			548,901	452,105	
OTHER FINANCIAL						
GENERAL MOTORS ACCEPTANCE CORP	200	8.000	01-15-02	200,000	152,840	8.000
HOUSEHOLD FINANCE CORP	200	7.850	10-01-86	200,000	174,020	7.850
HOUSEHOLD FINANCE CORP	100	7.850	10-01-86	100,000	87,010	7.850
SUBCLASS TOTAL	500			500,000	413,870	
RAILROADS						
GENERAL AMERICAN TRANSPORTATION PP	100	7.375	12-01-83	100,000	91,330	7.375
GENERAL AMERICAN TRANSPORTATION PP	100	7.750	12-01-85	100,000	59,020	7.750
SOUTHERN PACIFIC TRANSPORTATION	100	8.200	12-01-91	100,000	74,000	8.200
UNION PACIFIC RR EQUIP TRUST	100	7.700	01-01-92	100,000	61,930	7.700
SUBCLASS TOTAL	400			400,000	330,180	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE
UTILITIES					
AKANSAS LOUISIANA GAS					
100	9.100	10-01-58	100,000	84,250	8,100
100	8.450	11-01-06	100,000	77,630	8,450
500	10.750	10-01-09	486,583	160,650	11,066
200	11.250	12-01-09	193,123	194,140	11,671
100	9.000	08-15-03	98,827	50,500	9,122
100	9.625	08-01-09	99,636	60,300	9,662
100	8.700	09-01-06	155,000	119,939	8,700
155	8.700	09-01-06	100,000	77,360	8,700
100	8.700	09-01-06	100,000	150,000	8,350
200	8.350	09-01-07	200,000	76,000	9,643
100	9.875	01-01-93	39,321	82,130	9,250
100	9.250	10-01-08	100,000	201,760	12,750
200	12.750	11-01-98	200,000	152,760	8,520
200	8.375	09-01-06	197,157		
	2,155			2,129,647	1,843,519
	4,955			4,925,899	4,105,244
GOVERNMENT AGENCIES					
US GOVERNMENT AGENCIES					
100	7.700	10-15-36	100,000	83,670	7,700
150	3.100	03-31-03	150,000	122,620	3,100
100	8.150	03-15-C1	100,000	32,510	8,150
50	8.150	03-15-C1	50,000	41,255	6,150
100	8.200	12-13-02	100,000	82,410	8,200
	500			500,000	417,365
	500			500,000	417,365
MUNICIPAL BONDS					
STATE-DIRECT OR GUARANTEED					
27	8,000	06-01-89	27,000	27,000	6,000
23	6,000	06-01-90	23,000	28,000	6,000
50			50,000	50,000	
50			50,000	50,000	
OTHER HOLDINGS					
	639		60,00-00	530,145	530 145
SHORT TERM INVESTMENT POOL					

STATEWIDE POLICE RESERVE FUND

SECURITY	AP VALUE (000)	INT. RATE	MATURITY DATE	COST	NAME OF VENDOR	NAME OF VENDOR
SECURITY	530			530,145	530,145	
	530			530,145	530,145	
	6,035			6,006,044	5,102,754	
CLASS TOTAL						
SECURITY TOTAL						
FUND TOTAL						

SHERIFF'S RETIREMENT FUND

SECURITY	FAIR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	FAIR VALUE (000)
CORPORATE BONDS					
INDUSTRIAL					
AMERICAN CYANAMID	9,375	03-15-06	99,571	90,820	6,420
ANCHOR HOCKING CORP	8,625	07-01-06	496,750	413,150	2,700
CONTINENTAL OIL	8,875	06-01-01	99,791	85,960	8,150
HALLIBURTON CO	9,250	04-01-00	99,605	90,410	9,300
HONEYWELL	9,375	05-15-05	100,000	87,030	9,375
KERR MCGEE CORP	8,900	07-01-83	192,531	187,860	6,107
J RAY McDERMOTT & CO	9,625	03-15-04	99,763	85,600	9,451
3M COMPANY	8,850	04-01-05	100,000	86,230	8,350
STUDEBAKER WORTHINGTON	9,350	11-15-03	100,000	92,650	9,350
WEIERHAUSER CO	7,950	02-15-06	92,671	76,650	7,300
WITCO CHEMICAL	9,500	08-15-09	99,639	87,430	9,430
SUBCLASS TOTAL	1,800		1,554,316	1,364,770	
BANKS AND INSURANCE					
AEATNA LIFE & CASUALTY CO	8,125	10-15-07	99,545	76,960	6,150
CITICORP NOTES	8,450	03-15-07	101,951	112,110	7,760
MANUFACTURERS HANOVER	8,125	06-15-07	102,434	73,950	6,490
US BANCORP	7,750	02-15-07	100,000	95,860	7,750
SUBCLASS TOTAL	450		400,930	351,420	
OTHER FINANCIAL					
BENEFICIAL CORP	75	06-15-01	75,000	70,868	8,000
BENEFICIAL CORP	100	02-15-88	100,000	27,700	8,300
GENERAL MOTORS ACCEPTANCE CORP	6,000	C1-15-02	100,000	76,420	8,000
SUBCLASS TOTAL	275		275,000	224,980	
TRANSPORTATION EXCL. RAILROADS					
EXXON PIPELINE CO NOTES	8,050	10-15-80	225,000	223,243	8,050
SUBCLASS TOTAL	225		225,000	223,943	
RAILROADS					
GENERAL AMERICAN TRANSPORTATION CORP	100	12-01-83	100,000	100,000	100

SHERIFF'S RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKEt VALUE	YIELD
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RAILROADS

SUBCLASS TOTAL	100	100,000	91,330
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UTILITIES

	9.850	C5-C1-C5	200,000	169,000	9.850
CINCINNATI GAS & ELECTRIC	200	10.750	10-01-09	194,633	104,200
GENERAL TEL CALIFORNIA	200	11.250	12-01-C9	96,562	97,070
HOUSTON LIGHTING & POWER	100	9.000	08-15-08	90,827	60,500
IDAHO POWER	100	9.000	06-01-08	99,636	86,380
KENTUCKY UTILITIES	100	9.625	C0-01-C7	100,000	75,000
MINNESOTA POWER & LIGHT	100	8.250	01-01-C9	99,321	76,000
MONTANA POWER	100	9.875	06-01-12	95,758	86,750
PACIFIC GAS & ELECTRIC	100	10.125	02-15-16	100,000	95,370
PACIFIC TEL & TEL	100	9.975	C0-01-16	200,000	228,750
PACIFIC TEL & TEL	200	15.125	11-01-99	200,000	291,760
SOUTHERN CALIFORNIA GAS	200	12.750	03-01-08	150,000	120,570
SOUTHWESTERN PUBLIC SERVICE	150	8.750	C5-C1-C8	200,000	165,000
UTAH POWER & LIGHT	200	9.125			
SUBCLASS TOTAL	1,850		1,838,737	1,658,390	

CANADIAN

MUNICIPAL FINANCE AUTHORITY OF BC	98	8.275	05-01-C1	98,000	86,056	8.875
SUBCLASS TOTAL	98			98,000	86,056	
SECURITY TOTAL	4,598			4,531,985	4,012,907	

GOVERNMENT BONDS
US GOVERNMENT OBLIGATIONS

US TREASURY NOTES	150	7.375	11-15-82	149,806	145,875	7.951
SUBCLASS TOTAL	150			149,806	145,375	
SECURITY TOTAL	150			149,806	145,375	

GOVERNMENT AGENCIES
US GOVERNMENT AGENCIES

AMERICAN COMMERCIAL LINES US GO	142	8.500	17-15-01	144,000	122,821	6.500
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SHERIFF'S RETIREMENT FUND

SECURITY	PAR (000)	VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MATURITY VALUE
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
EL PASO COLUMBIA TANKER US GC	242	9,250	03-31-03	242,000	216,300	9,250
SUBCLASS TOTAL	391			391,000	339,121	
SECURITY TOTAL	391			391,000	339,121	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL						
SUBCLASS TOTAL	427	.000	00-00-00	427,022	427,022	
SECURITY TOTAL	427			427,022	427,022	
FUND TOTAL	5,566			5,499,813	4,922,925	

EDUCATIONAL TRUST FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
DANA CORPORATION	200	8.875	11-15-08	129,053	164,620	6.923
DIAMOND SHANROCK	500	8.500	04-01-03	491,325	393,800	2.680
DOW CHEMICAL CO	300	8.625	02-15-03	297,787	245,040	8.700
I B M	500	9.375	10-01-04	453,781	461,250	10.451
I D M	500	9.375	10-01-04	419,445	461,250	11.363
MONSANTO CO	500	8.750	05-15-03	497,092	411,900	8.808
MONTGOMERY WARD CREDIT	200	9.375	05-15-84	199,646	189,920	9.438
STUDEBAKER WORTHINGTON	200	9.350	11-15-03	200,000	165,300	9.350
TEXACO INC	300	8.500	04-01-06	296,215	244,650	6.630
TEXAS INSTRUMENTS	500	12.700	02-01-05	500,000	525,000	12.700
SUBCLASS TOTAL	3,700			3,554,344	3,262,730	
BANKS AND INSURANCE						
WESTERN BANCORP	500	12.250	05-15-10	496,012	500,000	12.350
SUBCLASS TOTAL	500			496,012	500,000	
OTHER FINANCIAL						
BENEFICIAL CORP	500	8.350	02-15-68	500,000	428,500	8.350
FORD MOTOR CREDIT	500	8.700	04-01-99	437,426	373,400	9.000
FORD MOTOR CREDIT	300	8.375	05-01-84	299,424	271,470	8.439
GENERAL MOTORS ACCEPTANCE CORP	500	12.000	02-01-05	495,031	512,500	12.127
NATIONAL RURAL UTILITIES	500	9.750	09-01-09	497,648	426,800	9.797
SUBCLASS TOTAL	2,300			2,279,579	2,022,670	
RAILROADS						
MISSOURI PACIFIC RR PP	467	9.750	06-01-94	465,667	407,633	9.750
SUBCLASS TOTAL	467			465,667	407,633	
UTILITIES						
ARKANSAS LOUISIANA GAS	200	9.100	10-01-99	200,000	163,500	9.100
BALTIMORE GAS & ELECTRIC	500	9.375	07-01-08	250,000	128,750	9.375
CENTRAL POWER & LIGHT	500	12.375	01-01-10	300,000	223,750	12.375

EDUCATIONAL TRUST FUND

	SECURITY	PAP VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE
UTILITIES						
COLUMBIA GAS SYSTEM		500	11.750	10-01-99	496,331	500,000
CONSUMERS POWER PP		500	10.625	07-01-99	500,000	466,500
GENERAL TEL CALIFORNIA		300	8.875	04-01-08	296,403	236,250
GENERAL TEL CALIFORNIA		1,000	10.750	10-01-09	976,824	900,000
IDAHO POWER		500	9.000	08-15-08	500,000	402,500
INTERNATIONAL TEL & TEL		500	12.625	02-01-05	456,840	517,500
IOWA PUBLIC SERVICE		500	9.750	09-01-09	492,704	438,150
MOUNTAIN STATES TEL & TEL		500	6.625	04-01-16	495,260	401,050
MOUNTAIN STATES TEL & TEL		500	11.250	11-01-19	500,000	492,500
NORTHERN INDIANA PUBLIC SERVICE		500	11.750	12-15-09	500,000	500,650
PACIFIC GAS & ELECTRIC		500	12.750	02-01-13	500,000	515,000
PACIFIC TEL & TEL		500	9.750	07-01-19	500,000	421,250
PACIFIC TEL & TEL		1,000	15.500	03-01-20	926,816	1,170,000
PUBLIC SERVICE COLORADO		300	6.250	10-01-08	300,000	246,390
PUBLIC SERVICE ELECTRIC & GAS		200	9.375	11-01-08	201,422	167,350
SOUTHERN CALIFORNIA EDISON		500	9.625	11-01-03	496,726	431,450
SOUTHERN CALIFORNIA GAS		500	12.750	11-01-99	500,000	504,400
SOUTHWESTERN PUBLIC SERVICE		350	8.750	03-01-08	350,000	261,300
UTAH POWER & LIGHT		500	9.125	05-01-08	500,000	412,500
UTAH POWER & LIGHT		500	10.125	04-01-09	498,793	443,150
VIRGINIA ELECTRIC POWER		300	9.625	07-01-08	300,000	242,860
SUBCLASS TOTAL		11,650			11,558,145	10,826,130
SECURITY TOTAL		18,617			18,354,747	17,021,163
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL NATIONAL MORTGAGE ASSOCIATION GNMA PASSTHROUGH		500	8.550	09-12-08	492,750	449,100
		997	10,000	11-15-09	393,134	331,000
SUBCLASS TOTAL		1,497			1,391,864	1,372,455
SECURITY TOTAL		1,497			1,391,864	1,372,455
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL		2,850	900	90-00-00	2,856,302	2,856,302
SUBCLASS TOTAL		2,850			2,856,302	2,856,302
SECURITY TOTAL		2,850			2,855,802	2,855,802
FUND TOTAL		22,978			21,256,933	21,256,920

VOLUNTEER FIREMAN'S FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
AMERICAN BRANDS	100	8.125	03-01-85	98,732	91,559	8.520
MOBIL CORPORATION	85	8.500	06-15-01	63,082	53,625	8.850
NATIONAL STEEL CORP	200	6.375	08-01-06	200,000	149,640	8.375
OWENS ILLINOIS	150	9.350	11-01-99	150,000	130,630	9.350
SUBCLASS TOTAL	515			511,814	425,845	
OTHER FINANCIAL						
GENERAL ELECTRIC CREDIT	100	8.250	02-15-86	99,710	90,600	8.320
SEARS ROEBUCK ACCEPTANCE CORP	200	8.375	12-31-86	199,782	174,600	8.400
SUBCLASS TOTAL	300			299,501	265,400	
RAILROADS						
SOUTHERN RR EQUIP TRUST	100	7.000	01-15-81	100,000	96,440	7,000
UNION TANK CAR	100	8.000	12-15-81	100,000	97,450	8,600
SUBCLASS TOTAL	200			200,000	195,920	
UTILITIES						
IDAHO POWER	200	9.000	08-15-08	197,655	161,000	9.122
MINNESOTA POWER & LIGHT	150	8.350	09-01-07	150,000	112,760	8.380
NORTHERN STATES POWER	100	7.375	03-01-02	100,000	71,750	7.349
PUBLIC SERVICE ELECTRIC & GAS	75	7.750	08-15-96	75,000	55,594	7.750
CENTRAL TEL FLORIDA	50	7.650	02-01-97	50,000	36,365	7.650
WISCONSIN TEL	240	7.250	02-01-07	242,264	170,651	7.149
SUBCLASS TOTAL	815			815,156	603,354	
SECURITY TOTAL	1,830			1,826,471	1,495,429	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL FARM CREDIT BANKS	350	9.700	06-04-84	250,000	347,795	9.700
SUBCLASS TOTAL	350			350,000	347,795	

VOLUNTEER FIREMAN'S FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
SECURITY TOTAL	350			350,000		347.795
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL						
SUBCLASS TOTAL	85	.000	00-00-00	84,612	84,612	34.612
SECURITY TOTAL	85			84,612	84,612	34.612
FUND TOTAL	2,265			2,261,035	1,927,826	

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
BORDEN	500	9.375	06-15-02	500,000	445,000	9.375
CONTINENTAL OIL	500	9.375	04-01-02	498,301	447,250	9.400
DANA CORPORATION	300	8.875	11-15-02	298,500	245,900	8.923
DIAMOND SHAMROCK	500	8.500	04-01-02	190,747	39,800	8.590
DOW CHEMICAL CO	200	8.625	02-15-02	198,525	163,360	8.700
HERSHEY FOODS	300	9.500	03-15-02	298,924	266,700	9.538
HONEYWELL	500	9.375	06-15-02	500,000	435,150	9.375
I B M	500	9.375	10-01-04	453,781	461,250	10.421
I B M	500	9.375	10-01-04	419,445	461,250	11.363
MONTGOMERY WARD CREDIT	300	9.375	05-15-02	290,464	264,660	9.438
RJ REYNOLDS INDUSTRIES	500	10.450	05-15-02	500,000	500,000	10.450
SHELL OIL UST ATLANTIC PP	435	9.300	03-07-02	435,228	365,742	9.303
STUDEBAKER WORTHINGTON	300	9.350	11-15-02	300,000	247,950	9.356
TEXACO INC	200	8.500	04-01-02	197,476	163,100	8.630
WITCO CHEMICAL	500	9.300	08-15-02	496,179	426,550	9.353
SUBCLASS TOTAL		6,035		5,299,155	5,338,222	
BANKS AND INSURANCE						
AMERICAN GENERAL INSURANCE CO	500	9.375	12-15-02	495,443	427,700	9.450
CROCKER NATIONAL	500	8.000	12-01-02	497,754	384,100	8.648
WESTERN BANCORP	500	12.250	05-15-10	496,012	500,000	12.350
SUBCLASS TOTAL		1,500		1,490,209	1,311,800	
OTHER FINANCIAL						
BENEFICIAL CORP	200	8.350	02-15-88	200,000	175,400	8.350
BENEFICIAL CORP	100	8.350	02-15-86	100,000	87,700	8.350
FORD MOTOR CREDIT	200	8.375	05-01-84	199,610	180,900	8.429
GENERAL MOTORS ACCEPTANCE CORP	500	12.000	02-01-05	405,081	512,500	12.127
NATIONAL RURAL UTILITIES	500	9.750	04-01-02	497,699	426,800	9.800
NATIONAL RURAL UTILITIES	300	8.750	09-01-02	298,599	256,080	9.800
NATIONAL RURAL UTILITIES	100	9.750	09-01-02	89,533	35,360	9.800
NATIONAL RURAL UTILITIES	100	9.750	09-01-02	99,533	85,360	9.800
SUBCLASS TOTAL		2,000		1,000,081	1,210,160	
TRANSPORTATION EXCL. RAILROADS						
PANHANDLE EASTERN PIPELINE	500	10.000	01-01-93	1,000,000	1,000,000	10.000

SECURITY	INT. RATE RAIL	MATURITY DATE	COST	MARKET VALUE	YIELD
TRANSPORTATION EXCL. RAILROADS			500	575,000	

SUBCLASS TOTAL

RAILROADS

MISSOURI PACIFIC RR PP

467

9.750

9.750

SUBCLASS TOTAL

495,082

575,000

466,667

407,633

466,667

407,633

UTILITIES

ARKANSAS GAS	10-01-96	200,000	169,500	9,100
BALTIMORE GAS & ELECTRIC	07-01-96	300,000	254,250	9,375
CENTRAL POWER & LIGHT	01-01-10	500,000	523,750	12,375
COLUMBIA GAS SYSTEM	10-01-99	496,331	500,000	11,842
CONSUMERS POWER PP	07-01-99	500,000	466,500	10,925
DUQUESNE LIGHT	02-21-99	494,623	444,450	10,244
EL PASO ELECTRIC PP	03-01-04	500,000	455,850	9,950
GENERAL TEL CALIFORNIA	04-01-08	197,602	157,500	9,000
GENERAL TEL CALIFORNIA	10-01-09	976,824	921,300	11,042
IDAHO POWER	06-15-08	500,000	402,500	9,000
INTERNATIONAL TEL & TEL	02-01-05	456,640	517,500	13,880
IAWA POWER & LIGHT	01-15-02	495,427	427,500	9,350
IAWA PUBLIC SERVICE	09-01-09	492,704	438,150	9,907
MOUNTAIN STATES TEL & TEL	04-01-16	495,280	401,050	12,710
NORTHERN INDIANA PUBLIC SERVICE	11-01-13	500,000	492,500	11,750
PACIFIC GAS & ELECTRIC	12-15-08	500,000	500,650	11,650
PACIFIC GAS & ELECTRIC	08-01-12	493,789	443,650	10,161
PACIFIC TEL & TEL	02-01-13	500,000	515,000	12,150
PACIFIC TEL & TEL	02-15-16	300,000	426,850	16,675
PACIFIC TEL & TEL	03-01-08	500,000	571,875	13,125
PACIFIC TEL & TEL	03-01-86	500,000	571,875	12,125
PACIFIC TEL & TEL	03-01-20	995,816	1,170,000	15,649
PUBLIC SERVICE COLORADO	10-01-08	100,000	92,180	9,150
PUBLIC SERVICE COLORADO	02-01-93	302,130	231,070	9,050
SOUTH CAROLINA ELECTRIC & GAS	04-01-99	495,195	140,000	0,231
SOUTHERN CALIFORNIA EDISON	11-01-03	656,707	431,100	9,700
SOUTHERN CALIFORNIA GAS	12-01-04	500,000	500,000	0,000
SOUTHWESTERN PUBLIC SERVICE	03-01-03	150,200	120,000	8,700
TEXAS ELECTRIC SERVICE	02-01-02	402,500	436,800	5,500
UTAH POWER & LIGHT	01-01-26	300,000	247,900	10,100
VIRGINIA ELECTRIC POWER	07-01-08	200,000	191,920	9,900

SUBCLASS TOTAL

14,141 946

13,447 090

PERMANENT COAL TRUST FUND

SECURITY	FACE VALUE (000)	INTEREST RATE	MATURITY DATE	CDS1	MARKET VALUE
UTILITIES					
CANADIAN					
BELL TELEPHONE OF CANADA	400	9.000	01-15-98	400,000	342,000
BRITISH COLUMBIA HYDRO & POWER	500	9.625	06-01-05	494,322	456,900
IMPERIAL OIL	500	9.750	09-15-99	499,055	474,350
SUBCLASS TOTAL	1,400			1,393,377	1,273,250
SECURITY TOTAL	26,152			25,666,497	24,103,875
GOVERNMENT AGENCIES					
US GOVERNMENT AGENCIES					
BIG SKY TRANSPORTATION US GG PP	493	12.000	05-01-90	493,220	539,340
FEDERAL NATIONAL MORTGAGE ASSOCIATION	500	7.500	10-13-07	500,000	428,100
FEDERAL NATIONAL MORTGAGE ASSOCIATION	500	8.550	09-12-88	423,750	448,100
GNMA PASS THROUGH	2,017	9.500	09-15-09	1,550,005	1,630,450
GNMA PASS THROUGH	997	9.000	11-15-09	696,124	931,355
US GG SHIP FINANCING BONDS LNG ARIES	500	8.200	12-13-02	500,000	412,050
SUBCLASS TOTAL	5,007			4,435,108	4,535,401
SECURITY TOTAL	5,007			4,135,403	4,523,401
OTHER HOLDINGS					
SHORT TERM INVESTMENT POOL					
	9,646	.000	00-00-00	9,646,000	9,646,000
SUBCLASS TOTAL	9,646			9,646,000	9,646,000
SECURITY TOTAL	9,646			9,646,000	9,646,000
FUND TOTAL	40,805			39,947,905	38,399,276

UNIV. OF MONTANA FIELD HOUSE FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY BONDS						
SUBCLASS TOTAL	4		06-15-83	3,929	3,929	4 109
SECURITY TOTAL	4				3,929	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL						
SUBCLASS TOTAL	134			134,016	134,016	
SECURITY TOTAL	134			134,016	134,016	
FUND TOTAL	138			137,947	137,523	

UNIV. OF MONTANA POOL FUND

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PROPERTY	PAR VALUE (UOC)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY BONDS	2	.250	06-15-83	1,964	1,752	4.109
SUBCLASS TOTAL	2			1,964	1,752	
SECURITY TOTAL	2			1,964	1,752	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL						
SUBCLASS TOTAL	23	.000	00-00-00	22,584	22,584	
SECURITY TOTAL	23			22,584	22,584	
FUND TOTAL	25			24,548	24,336	

MONTANA STATE UNIV. TRUST FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MAR 27 VALUE	YIELD
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
US TREASURY BILLS	1,315	12.000	09-25-80	1,246,320	1,246,320	12.000
US TREASURY BILLS	1,500	11.760	10-02-80	1,421,000	1,468,784	11.760
US TREASURY BILLS	2,000	10.200	10-09-80	1,909,332	1,955,226	10.200
SUBCLASS TOTAL	4,815			4,577,553	4,714,300	
TIME CERTIFICATES OF DEPOSIT						
FIRST NATIONAL BANK WHITEFISH CD	250	9.000	12-03-80	250,000	250,000	9.000
SUBCLASS TOTAL	250			250,000	250,000	
SECURITY TOTAL	5,065			4,827,553	4,954,303	
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY BONDS PP	16	6.375	02-15-82	16,000	15,379	6.375
SUBCLASS TOTAL	16			16,000	15,379	
SECURITY TOTAL	16			16,000	15,379	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	2,602	.000	00-00-00	2,602,227	2,602,227	
SUBCLASS TOTAL	2,602			2,602,227	2,602,227	
SECURITY TOTAL	2,602			2,602,227	2,602,227	
FUND TOTAL	7,683			7,445,780	7,581,914	

LONG RANGE BUILDING SINKING FUND

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SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT BONDS						
US GOVERNMENT OBLIGATIONS						
US TREASURY NOTES	500	8.000	08-15-86	500,000	462,500	9.000
SUBCLASS TOTAL	500			500,000	462,500	
SECURITY TOTAL	500			500,000	462,500	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
BANKS FOR COOPERATIVES	1,000	6.850	04-01-81	999,765	985,000	6.890
FEDERAL LAND BANKS	125	7.100	01-20-81	125,000	123,586	7.100
FEDERAL LAND BANKS	500	7.200	01-20-83	409,861	473,750	7.213
SUBCLASS TOTAL	1,625			1,624,626	1,582,336	
SECURITY TOTAL	1,625			1,624,626	1,582,336	
FUND TOTAL	2,125			2,124,626	2,044,038	

EASTERN MONTANA COLLEGE TRUST FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
MONEY MARKET INSTRUMENTS						
US REPURCHASE AGREEMENTS						
US TREASURY BILLS	60	11.340	01-29-31	58,215	57,152	11.340
US TREASURY BILLS	60	7.880	05-21-81	55,311	55,672	7.880
US TREASURY BILLS	190	7.550	08-20-80	186,374	187,537	7.550
SUBCLASS TOTAL	310			294,900	300,362	
SECURITY TOTAL	310			294,900	300,362	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	1,265	.000	00-00-00	1,264,876	1,264,876	
SUBCLASS TOTAL	1,265			1,264,876	1,264,876	
SECURITY TOTAL	1,265			1,264,876	1,264,876	
FUND TOTAL	1,575			1,550,776	1,565,238	

COMMON SCHOOL 1 & 1 FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE
MONEY MARKET INSTRUMENTS					
US REPURCHASE AGREEMENTS					
FEDERAL HOME LOAN BANKS DISCOUNT NOTE	1,500	16.000	11-05-80	1,340,000	1,414,667
SUBCLASS TOTAL	1,500			1,340,000	1,414,667
 US BANKERS ACCEPTANCE					
BANKERS ACCEPTANCES CITIBANK LA	1,000	8.350	09-01-80	980,749	984,692
BANKERS ACCEPTANCES NW NATL BANK MINN	1,000	8.350	02-12-80	987,243	990,026
BANKERS ACCEPTANCES WELLS FARGO BANK SF	3,000	9.750	07-07-80	2,951,250	2,994,312
BANKERS ACCEPTANCES WELLS FARGO BANK SF	3,000	8.400	07-23-80	2,980,400	2,983,900
SUBCLASS TOTAL	8,000			7,899,642	7,952,930
SECURITY TOTAL	9,500			9,238,642	9,357,597
 GOVERNMENT AGENCIES					
US GOVERNMENT AGENCIES					
FEDERAL FARM CREDIT BANKS	3,000	15.350	12-01-80	2,993,157	3,066,600
SUBCLASS TOTAL	3,000			2,998,157	3,056,600
SECURITY TOTAL	3,000			2,998,157	3,056,600
 OTHER HOLDINGS					
SHORT TERM INVESTMENT POOL	5,369	.000	00-00-00	5,369,365	5,369,365
SUBCLASS TOTAL	5,369			5,369,365	5,369,365
SECURITY TOTAL	5,369			5,369,365	5,369,365
FUND TOTAL	17,869			17,807,164	17,903,561

GAME WARDENS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MAR.ET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
ATLANTIC RICHFIELD	25	7.750	12-15-03	25,000	19,395	7.750
CUMMINS ENGINE CO	20	7.400	04-01-97	20,000	15,100	7.400
3M COMPANY	100	8.833	04-01-05	100,000	86,280	8.850
MOBIL CORPORATION	25	6.500	06-15-01	24,262	20,625	6.500
RCA CORPORATION	25	10.200	09-15-92	25,000	24,750	10.200
WITCO CHEMICAL	100	9.500	03-15-03	99,636	87,330	9.538
SUBCLASS TOTAL	295			293,898	253,480	
BANKS AND INSURANCE						
BANKAMERICA CORP	20	7.675	12-01-03	12,690	14,770	12.915
CITICORP NOTES	100	3.125	07-01-07	99,100	73,900	3.115
SUBCLASS TOTAL	120			111,790	88,768	
OTHER FINANCIAL						
COMMERCIAL CREDIT CORPORATION	40	7.750	02-15-92	39,763	30,088	7.851
GENERAL MOTORS ACCEPTANCE CORP	100	7.350	01-16-87	100,000	85,950	7.350
INTERNATIONAL HARVESTER CREDIT	40	7.500	01-15-94	39,871	28,092	7.550
SUBCLASS TOTAL	180			179,634	144,170	
TRANSPORTATION EXCL. RAILROADS						
EXXON PIPELINE CO NOTES	75	8.050	10-15-80	75,000	74,620	8.050
NATURAL GAS PIPELINE OF AMERICA	25	8.350	02-01-93	25,000	19,845	8.350
SUBCLASS TOTAL	100			100,000	94,493	
RAILROADS						
DENVER RIO GRANDE RR EQUIP TRUST	35	7.200	11-31-82	35,287	32,236	7.100
UNION PACIFIC RR	50	8.400	07-01-91	60,000	36,367	8.400
SUBCLASS TOTAL	85			95,287	69,700	

GAME WARDENS' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MAPLE* VALUE	YIELD
UTILITIES						
AMERICAN TEL & TEL	4.375	4.375	05-01-99	10,015	£ 190	4.300
AMERICAN TEL & TEL	140	4.375	05-01-99	140,363	72,660	4.317
AMERICAN TEL & TEL	10	0.750	05-15-00	9,832	8,549	0.521
CAROLINA TEL & TEL	25	8.100	11-01-03	25,000	19,000	3.100
CHESAP & POTOMAC TEL MARYLAND	20	6.625	10-01-08	20,051	13,126	6.599
DETROIT EDISON	50	7.375	11-15-01	49,460	31,875	7.501
DETROIT EDISON	30	9.875	05-01-04	29,621	24,039	9.954
DUQUESNE LIGHT	20	7.000	01-01-99	19,930	13,350	7.040
GENERAL TEL CALIFORNIA	20	4.500	03-01-95	20,000	10,927	4.500
GENERAL TEL NORTHWEST	100	10.750	10-01-09	97,317	92,130	11.066
GENERAL TEL NORTHWEST	50	7.875	05-01-02	50,320	36,250	7.798
IDAHO POWER	100	9.000	08-15-08	98,827	90,500	9.122
KANSAS CITY POWER & LIGHT	25	5.750	05-15-97	25,058	16,345	5.723
MINNESOTA POWER & LIGHT	100	10.500	06-01-05	100,000	69,750	10.500
MONTANA POWER	30	6.625	03-01-04	53,250	53,250	6.599
MONTANA POWER	100	9.075	01-01-08	99,321	70,000	9.948
MOUNTAIN STATES TEL & TEL	50	5.000	04-01-00	51,345	27,875	4.749
MOUNTAIN STATES TEL & TEL	25	6.000	08-01-07	25,000	15,158	5.950
MOUNTAIN STATES TEL & TEL	25	7.750	06-01-13	25,000	16,500	7.750
OHIO BELL TEL	45	6.750	07-01-08	45,170	29,871	6.713
PACIFIC NORTHWEST BELL TEL	25	6.750	12-01-07	25,254	16,500	6.646
PACIFIC NORTHWEST BELL TEL	40	8.625	10-C1-10	41,875	32,258	8.113
POTOMAC ELECTRIC POWER	50	5.875	05-01-02	42,921	37,375	7.505
PUBLIC SERVICE COLORADO	25	5.375	05-01-03	25,000	14,713	5.375
SOUTHERN BELL TEL & TEL	25	4.375	08-01-03	24,959	12,220	4.308
SOUTHWESTERN BELL TEL	15	5.750	06-01-03	15,467	10,044	5.458
SOUTHWESTERN BELL TEL	20	3.250	04-01-17	19,194	15,514	8.032
SUBCLASS TOTAL				1,175	1,166,526	635,367
CANADA!						
MUNICIPAL FINANCE AUTHORITY OF BC	98	8.875	C5-01-01	98,000	86,056	8.875
NOVA SCOTIA POWER	125	8.125	07-15-98	124,750	37,056	8.150
SUBCLASS TOTAL				222,756	123,122	
SECURITY TOTAL				2,178	2,159,751	1,667,732
GOVERNMENT AGENCIES						
AMERICAN COMMERCIAL LINES US CG	50	6.500	07-15-01	50,010	41,215	6.700
FEDERAL NATIONAL MORTGAGE ASSOCIATION	25	5.200	01-15-42	25,000	21,542	5.100
U.S. 65 SHIP FINANCING BONDS LACHMANN HULL	100	3.625	01-31-01	100,000	100,000	

GAME WARDENS' RETIREMENT FUND

SECURITY	BAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
US CG SHIP FINANCING BONDS LNG ARIES	100	6.200	12-13-02	100,000	82,410	8.200
SUBCLASS TOTAL	275			275,000	232,331	
SECURITY TOTAL	275			275,000	232,331	
OTHER HOLDINGS						
MORTGAGES	36	000	00-00-00	35,633	35,633	
SHORT TERM INVESTMENT POOL	372	000	00-00-00	372,040	372,040	
SUBCLASS TOTAL	408			407,673	407,673	
SECURITY TOTAL	408			407,673	407,673	
FUND TOTAL	2,861			2,842,424	2,307,756	

SOCIAL SECURITY FUND

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SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
UTILITIES						
GENERAL TEL KENTUCKY	500	7.750	10-31-01	497,786	353,750	7.604
SUBCLASS TOTAL	500			497,786	353,750	
SECURITY TOTAL	500			497,786	353,750	
MONEY MARKET INSTRUMENTS						
US BANKERS ACCEPTANCE						
BANKERS ACCEPTANCES BANK OF AMERICA SF	1,000	9.200	08-15-80	976,278	988,244	9.200
BANKERS ACCEPTANCES BANK OF AMERICA SF	2,000	8.250	08-13-80	1,974,333	1,979,833	8.250
BANKERS ACCEPTANCES FIRST NATL BK BOSTON	2,000	8.500	07-31-80	1,974,026	1,965,351	8.500
BANKERS ACCEPTANCES CHASE MANHATTAN NY	1,400	8.400	08-08-80	1,381,280	1,305,220	8.400
BANKERS ACCEPTANCES CITIBANK SF	2,000	9.100	08-12-80	1,954,044	1,877,544	9.100
BANKERS ACCEPTANCES MANUF HANOVER	1,000	9.200	08-12-80	979,044	985,011	9.200
BANKERS ACCEPTANCES MANUF HANOVER	1,000	9.200	08-13-80	978,789	938,750	9.200
BANKERS ACCEPTANCES NW NATL MINNEAPOLIS	2,500	8.550	06-01-80	2,466,750	2,421,060	8.550
BANKERS ACCEPTANCES MORGAN GUARANTY NY	2,000	8.450	07-23-80	1,977,930	1,965,066	8.450
SUBCLASS TOTAL	14,900			14,664,582	13,765,825	
SECURITY TOTAL	14,900			14,664,582	14,765,825	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
AMERICAN COMMERCIAL LINES US GG	150	8.500	07-15-01	150,000	123,645	8.500
SUBCLASS TOTAL	150			150,000	123,645	
SECURITY TOTAL	150			150,000	123,645	
FUND TOTAL	15,550			15,312,368	15,240,220	

SECURITY	INTEREST RATE	MATURITY DATE	COST	MARY & T FIELD VALUE
CORPORATE BONDS				
INDUSTRIAL				
AMERICAN CYANAMID	8.375	03-15-06	49,786	40,410
ATLANTIC RICHFIELD	7.750	12-15-03	25,000	19,395
CUMMINS ENGINE CO	7.400	04-01-97	40,000	30,200
3M COMPANY	8.850	04-01-05	100,000	86,260
RCA CORPORATION	10.200	08-15-92	25,000	24,750
STUDEBAKER WORTHINGTON	9.350	11-15-93	100,000	82,650
WITCO CHEMICAL	9.500	03-15-09	93,636	87,330
SUBCLASS TOTAL			439,422	371,015
BANKS AND INSURANCE				
BANKAMERICA CORP	7.875	12-01-03	38,071	44,334
CITICORP NOTES	6.450	03-15-07	67,967	76,760
SUBCLASS TOTAL			106,038	121,094
OTHER FINANCIAL				
BENEFICIAL CORP	8.350	02-15-08	103,000	87,700
COMMERCIAL CREDIT CORPORATION	7.750	02-15-92	24,052	18,805
SUBCLASS TOTAL			124,052	106,505
TRANSPORTATION EXCL. RAILROADS				
EXXON PIPELINE CO NOTES	8.050	10-15-80	100,000	99,530
LAKEHEAD PIPELINE	7.500	06-15-97	15,000	11,232
SUBCLASS TOTAL			115,000	110,762
RAILROADS				
DENVER RIO GRANDE RR EQUIP TRUST	7.250	11-01-82	30,074	28,453
GENERAL AMERICAN TRANSPORTATION PP	7.250	12-C1-93	100,000	31,340
SUBCLASS TOTAL			130,074	119,793

MONTANA JUDGES' RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
UTILITIES						
AMERICAN TEL & TEL	13	8.750	05-15-00	12,200	10,696	8.931
CAROLINA TEL & TEL	25	8.100	11-01-03	25,200	19,000	8.100
CHESAP & POTOMAC TEL MARYLAND	30	5.625	10-01-08	30,073	19,665	6.599
CONNECTICUT LIGHT & POWER	35	6.500	01-01-98	35,000	22,225	6.500
DETROIT EDISON	50	7.375	11-15-01	49,465	31,875	7.501
DETROIT EDISON	30	9.875	05-01-04	29,621	24,039	9.954
DUQUESNE LIGHT	35	7.000	01-01-99	34,863	23,363	7.040
HAWAIIAN ELECTRIC	50	8.350	12-01-03	50,000	36,940	8.350
HOUSTON LIGHTING & POWER	100	11.250	12-01-09	96,562	97,070	11.671
MINNESOTA POWER & LIGHT	50	8.350	09-01-07	50,000	37,500	8.350
MONTANA POWER	25	6.625	05-01-04	25,052	19,375	8.509
MONTANA POWER	100	9.875	01-01-09	99,321	76,000	9.948
MOUNTAIN STATES TEL & TEL	90	6.000	08-01-07	90,000	54,567	5.950
MOUNTAIN STATES TEL & TEL	100	6.000	08-01-07	100,000	60,630	6.000
MOUNTAIN STATES TEL & TEL	20	7.750	06-01-13	20,000	14,800	7.750
NORTHWESTERN BELL TEL	15	7.000	01-01-09	15,000	10,230	7.000
OHIO BELL TEL	33	6.750	07-01-08	38,144	25,224	6.712
PACIFIC GAS & ELECTRIC	100	10.125	08-01-12	99,753	86,730	10.151
PACIFIC NORTHWEST BELL TEL	35	6.750	12-01-07	35,605	23,100	6.575
PACIFIC TEL & TEL	100	15.125	03-01-88	100,000	114,375	15.125
UNITED TEL OHIO	30	7.620	06-01-02	30,000	21,275	7.600
UTAH POWER & LIGHT	150	9.125	05-01-08	150,000	123,750	9.125
SUBCLASS TOTAL		1,221		1,215,979	954,513	
CANADIAN						
MUNICIPAL FINANCE AUTHORITY OF BC	98	8.675	05-01-01	98,000	86,056	8.875
SUBCLASS TOTAL		98		98,000	86,056	
SECURITY TOTAL	2,289			2,229,365	1,369,763	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
AMERICAN COMMERCIAL LINES US GG	50	8.500	07-15-01	50,000	41,215	8.500
FARMERS HOME ADMINISTRATION NOTES PP	22	8.750	12-26-94	22,194	19,136	8.750
US GG SHIP FINANCING BONDS LNG ARIES	100	6.200	12-13-92	100,000	82,410	6.200
SUBCLASS TOTAL	172			172,404	142,547	
SECURITY TOTAL	172			172,404	142,547	

MONTANA JUDGES' RETIREMENT FUND

SECURITY	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	VALUATION
SECURITY	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	VALUATION
OTHER HOLDINGS					
MORTGAGES					
SHORT TERM INVESTMENT POOL					
SUBCLASS TOTAL					
SECURITY TOTAL					
FUND TOTAL.					
207	.000	00-00-00	206,626	206,626	206,626
279	.000	00-00-00	279,361	278,361	278,361
279			278,361	278,361	278,361
2,740			2,679,920	2,290,935	2,290,935

HAIL INSURANCE FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
FIRESTONE TIRE & RUBBER CO	350	7.300	10-15-01	350,000	200,500	7.300
SUBCLASS TOTAL	350			350,000	206,500	
SECURITY TOTAL	350			350,000	206,500	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
FEDERAL LAND BANKS	200	7.600	34-20-87	199,731	174,500	7.627
SUBCLASS TOTAL	200			199,731	174,500	
SECURITY TOTAL	200			199,731	174,500	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	2,941	.000	00-00-00	2,940,845	2,940,845	
SUBCLASS TOTAL	2,941			2,940,845	2,940,845	
SECURITY TOTAL	2,941			2,940,845	2,940,845	
FUND TOTAL	3,491			3,490,576	3,321,905	

SUBSEQUENT INJURY FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS						
INDUSTRIAL						
AMERICAN BRANDS	150	8.125	03-01-85	148,096	137,325	8.520
ARMCO STEEL	100	8.500	09-01-01	99,746	77,940	8.530
HERSHEY FOODS	100	9.500	03-15-09	99,641	86,920	9.536
OWENS ILLINOIS	100	9.350	11-01-99	100,000	87,220	9.350
SUBCLASS TOTAL	450			447,483	391,405	
BANKS AND INSURANCE						
AETNA LIFE & CASUALTY CO	200	8.125	10-15-07	199,089	153,920	8.169
MANUFACTURERS HANOVER	200	8.125	06-15-07	198,358	147,500	8.139
NORTHWEST BANCORPORATION	100	7.675	02-15-86	99,922	86,125	7.890
US BANKCRP	150	7.750	C2-15-87	150,000	126,070	7.750
SUBCLASS TOTAL	650			647,879	518,015	
OTHER FINANCIAL						
GENERAL ELECTRIC CREDIT	100	8.250	02-15-86	99,719	90,603	8.320
GENERAL MOTORS ACCEPTANCE CORP	100	8.000	01-15-02	100,000	76,420	8.000
SEARS ROEBUCK ACCEPTANCE CORP	375	8.375	12-31-96	374,501	327,750	8.400
SUBCLASS TOTAL	575			574,310	494,770	
RAILROADS						
UNION TANK CAR	100	8.600	12-15-81	100,000	97,480	8.600
SUBCLASS TOTAL	100			100,000	97,480	
UTILITIES						
IDAHO POWER	100	9.000	08-15-98	98,827	89,500	9.122
PUBLIC SERVICE ELECTRIC & GAS	6	7.750	08-15-98	6,000	4,466	7.750
SUBCLASS TOTAL	106			104,827	94,948	
SECURITY TOTAL	1,351			1,374,483	1,336,112	

SUBSEQUENT INJURY FUND

SECURITY	PAR VALUE (000)	INITIAL MATURITY RATE	MATURITY DATE	COST	MARKE ^{IT} VALU ^{ED}
GOVERNMENT AGENCIES					
US GOVERNMENT AGENCIES					
FEDERAL FARM CREDIT BANKS	150	9.700	00-04-84	150,000	149,055
SUBCLASS TOTAL	150			150,000	149,055
SECURITY TOTAL	150			150,000	149,055
OTHER HOLDINGS					
SHORT TERM INVESTMENT POOL					
SUBCLASS TOTAL	104	.000	00-00-00	103,521	103,521
SECURITY TOTAL	104			103,521	103,521
FUND TOTAL	2,135			2,128,020	1,839,194

HIGHWAY PATROL RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	YIELD
CORPORATE BONDS INDUSTRIAL						
ATLANTIC RICHFIELD	35	7.750	12-15-03	35,000	27,153	7.750
CONTINENTAL OIL	100	8.075	06-01-01	99,791	65,960	6.900
CUMMINS ENGINE CO	25	7.400	04-01-97	25,000	18,875	7.400
CUMMINS ENGINE CO	100	7.400	04-01-97	100,000	75,500	7.400
DOW CHEMICAL CO	100	7.875	07-15-07	99,323	76,560	7.541
HONEYWELL	100	9.375	06-15-09	100,000	87,030	9.275
MARATHON OIL	100	8.500	11-01-06	99,561	82,210	6.850
J RAY MCDERMOTT & CO	100	9.625	C3-15-04	99,763	95,600	9.561
3M COMPANY	200	8.250	04-01-05	200,000	172,560	8.250
RCA CORPORATION	25	10.200	08-15-92	25,000	24,750	10.200
SHERWIN WILLIAMS	20	5.450	12-01-99	20,000	15,024	5.450
SHERWIN WILLIAMS	100	9.450	12-01-99	100,000	75,120	9.450
STUDEBAKER WORTHINGTON	200	9.350	11-15-03	200,000	165,300	9.350
UNION OIL CO OF CALIFORNIA	200	8.625	03-01-06	198,716	160,050	8.625
WITCO CHEMICAL	100	9.500	08-15-05	99,606	87,340	9.500
SUBCLASS TOTAL	1,500			1,501,790	1,246,352	
BANKS AND INSURANCE						
AETNA LIFE & CASUALTY CO	100	8.125	10-15-07	99,545	76,960	8.169
SANKAMERICA CORP	45	7.875	12-01-03	28,553	33,351	12.915
CHEMICAL NEW YORK	100	8.250	C8-01-02	39,531	75,360	8.360
CITICORP NOTES	100	3.450	03-15-07	67,967	76,750	12.700
SUBCLASS TOTAL	345			295,596	252,031	
OTHER FINANCIAL						
BENEFICIAL CORP	50	8.000	06-15-01	50,000	47,245	8.000
BENEFICIAL CORP	25	8.000	06-15-01	25,000	23,625	8.000
BENEFICIAL CORP	100	8.350	02-15-88	100,000	87,700	8.350
GENERAL MOTORS ACCEPTANCE CORP	100	8.000	01-15-02	100,000	76,420	8.000
INTERNATIONAL HARVESTER CREDIT	100	7.500	C1-15-94	96,677	72,432	7.500
SUBCLASS TOTAL	375			374,677	305,218	
TRANSPORTATION EXCL. RAILROADS						
EXXON PIPELINE CO NOTES	100	4.050	10-15-80	100,000	99,520	4.050
LAKEHEAD PIPELINE	35	7.500	C7-15-81	35,000	40,290	7.500
NATURAL GAS PIPELINE OF AMERICA	10	5.500	C1-15-82	40,000	31,110	5.500

SECURITY	FACE VALUE (OOC)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE

TRANSPORTATION EXCL. RAILROADS

SUBCLASS	175	175	175	175	175	175
TOTAL	175	175	175	175	175	175

RAILROADS

RR EQUIP TRUST	RR EQUIP TRUST	RR EQUIP TRUST	RR EQUIP TRUST	RR EQUIP TRUST
DENVER RIO GRANDE	SOUTHERN	UNION PACIFIC	UNION PACIFIC	SUBCLASS TOTAL
35	200	100	335	303,116
7,250	7,000	8,400	335,087	332,236
11-01-82	01-15-81	03-01-01	35,087	196,280
			200,000	73,000
			100,000	4,400
				7,100
				7,000
				4,400

UTILITIES

HIGHWAY PATROL RETIREMENT FUND

SECURITY	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	HIGHLY QUALITY VALUE	YIELD
UTILITIES						
PUBLIC SERVICE ELECTRIC & GAS	30	7.750	09-15-96	30,220	22,239	7.640
PUBLIC SERVICE ELECTRIC & GAS	90	7.750	08-15-96	80,300	59,364	7.750
SOUTHERN CALIFORNIA GAS	100	12.750	11-01-93	100,200	100,000	12.750
SOUTHWESTERN PUBLIC SERVICE	100	8.750	03-01-05	100,000	80,300	8.750
UNITED TEL OHIO	15	7.600	08-01-02	15,000	10,683	7.600
UTAH POWER & LIGHT	150	9.125	05-01-08	150,000	123,750	9.125
WISCONSIN PUBLIC SERVICE	45	8.250	05-01-01	45,174	35,213	8.199
SUBCLASS TOTAL	2,800			2,734,651	2,189,561	
CANADIAN						
MANITOBA HYDRO ELECTRIC BOARD	200	9.250	01-15-06	198,296	176,000	9.350
SUBCLASS TOTAL	200			198,296	176,000	
SECURITY TOTAL	5,735			5,615,097	4,639,438	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
AMERICAN COMMERCIAL LINES US CG	100	8.500	07-15-01	100,000	82,430	8.500
FARMERS HOME ADMINISTRATION NOTES PP	50	8.750	02-24-95	50,153	43,312	6.750
GLOBAL MARINE DEEPWATER DRILLING USGG	100	8.500	03-01-98	100,000	85,010	8.500
US GG SHIP FINANCING BONDS HARBOR TUG	125	8.150	03-15-01	125,000	103,138	8.150
US GG SHIP FINANCING BONDS LNG ARIES	100	8.200	12-13-02	100,000	92,410	8.200
SUBCLASS TOTAL	475			475,153	396,300	
SECURITY TOTAL	475			475,153	396,300	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	315	.000	00-00-00	315,200	315,200	
SUBCLASS TOTAL	315			315,200	315,200	
SECURITY TOTAL	315			315,200	315,200	
FUND TOTAL	6,520			6,405,459	5,351,547	

RESOURCE INDEMNITY FUND

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SECURITY	PAR VALUE (1000)	INT. RATE	NATIVITY	CO. I	MAR. EN VALU	YIELD
CORPORATE BONDS						
INDUSTRIAL						
CONTINENTAL OIL	500	8.375	CG-01-01	498,954	429,800	6.900
DIAMOND SHAMROCK	100	8.500	CG-01-08	98,145	70,760	8.650
INGREASER FARM CO	200	8.750	CG-01-05	199,710	186,940	8.726
KERR MCGEE CORP	300	8.000	CG-01-83	299,297	281,820	8.107
KERR MCGEE CORP	500	8.500	CG-01-06	496,756	404,000	8.570
MONSANTO CO	500	8.750	CG-15-08	497,092	411,900	8.608
R.J. REYNOLDS INDUSTRIES	500	12.450	CG-15-90	500,000	500,000	10.450
SEARS, ROEBUCK & CO	300	8.000	CG-01-06	259,355	229,380	8.220
SMITH INTERNATIONAL	500	8.850	CG-15-04	500,000	455,550	8.850
STERON CORP	500	8.125	CG-01-85	500,000	471,900	9.125
WITCO CHEMICAL	100	8.500	CG-15-09	99,636	67,330	8.505
SUBCLASS TOTAL	4,000			3,988,949	3,537,380	
BANKS AND INSURANCE						
CITICORP NOTES	400	8.125	CG-01-C7	396,398	205,960	8.215
MANUFACTURERS HANOVER	500	8.375	CG-01-82	500,000	462,850	8.375
MANUFACTURERS HANOVER	100	8.125	CG-15-07	99,434	73,850	8.125
WESTERN BANCORP	500	12.250	CG-15-10	496,012	500,000	12.500
SUBCLASS TOTAL	1,500			1,491,244	1,352,760	
OTHER FINANCIAL						
BENEFICIAL CORP	500	8.300	CG-01-03	500,000	275,300	8.300
BENEFICIAL CORP	150	8.450	CG-15-88	150,000	131,550	8.370
GENERAL ELECTRIC CREDIT	500	8.675	CG-01-82	500,000	488,850	8.775
GENERAL MOTORS ACCEPTANCE CORP	100	8.375	CG-01-23	99,716	84,250	8.370
GENERAL MOTORS ACCEPTANCE CORP	100	8.375	CG-01-99	99,716	84,250	8.310
GENERAL MOTORS ACCEPTANCE CORP	150	8.875	CG-01-99	149,574	126,575	8.810
NATIONAL RURAL UTILITIES	200	8.750	CG-01-03	198,080	170,720	8.600
SUBCLASS TOTAL	1,700			1,698,086	1,460,625	
RAILROADS						
GENERAL AMERICAN TRANSPORTATION CORP	100	7.375	CG-01-07	100,000	91,000	7.375
SUBCLASS TOTAL	100					

SECURITY	PAR VALUE (000)	INT. RATE	MATURITY DATE	COST	MARKET VALUE	FIELD
UTILITIES						
BALTIMORE GAS & ELECTRIC	200	9.375	07-01-98	200,000	169,500	9.375
COMMONWEALTH EDISON PP	500	9.125	06-01-98	500,000	448,600	9.125
CONSOLIDATED NATURAL GAS	500	9.250	07-01-95	493,407	453,300	9.419
EL PASO ELECTRIC PP	500	9.950	05-01-04	500,000	455,850	9.950
PACIFIC GAS & ELECTRIC	200	10.125	06-01-12	199,516	177,460	10.151
PACIFIC TEL & TEL	200	9.875	02-15-16	200,000	170,740	9.875
PACIFIC TEL & TEL	500	9.750	07-01-19	500,000	421,250	9.750
PUBLIC SERVICE ELECTRIC & GAS	250	8.450	09-01-06	250,000	193,950	8.450
SOUTH CENTRAL BELL TEL	500	8.250	03-01-17	499,424	387,900	8.260
UTAH POWER & LIGHT	500	9.125	05-01-08	500,000	412,500	9.125
SUBCLASS TOTAL	3,850			3,842,347	3,291,050	
CANADIAN						
BRITISH COLUMBIA HYDRO & POWER	500	8.375	06-15-07	500,000	460,781	8.375
MANITOBA HYDRO ELECTRIC BOARD	200	9.250	01-15-06	198,296	175,000	9.350
MANITOBA HYDRO ELECTRIC BOARD	500	9.250	06-30-01	497,898	442,500	9.302
QUEBEC HYDRO ELECTRIC	100	10.250	01-15-05	100,000	92,000	10.250
SUBCLASS TOTAL	1,300			1,296,194	1,172,281	
SECURITY TOTAL	12,450			12,417,420	10,905,445	
GOVERNMENT AGENCIES						
US GOVERNMENT AGENCIES						
AMERICAN COMMERCIAL LINES US 6	349	8.500	07-15-01	349,000	287,681	8.500
FEDERAL NATIONAL MORTGAGE ASSOCIATION	250	9.700	09-01-01	250,000	251,875	9.700
US GG SHIP FINANCING BONDS HARBOR TUG	100	8.150	03-15-01	100,000	82,510	8.150
US GG SHIP FINANCING BONDS HARBOR TUG	100	8.150	03-15-01	100,000	82,510	8.150
US GG SHIP FINANCING BONDS INDIANA	193	8.050	01-15-98	193,000	159,804	8.050
US GG SHIP FINANCING BONDS LNG ARIES	200	8.200	12-13-02	200,000	164,620	8.200
SUBCLASS TOTAL	1,192			1,192,000	1,029,200	
SECURITY TOTAL	1,192			1,192,000	1,029,200	
OTHER HOLDINGS						
SHORT TERM INVESTMENT POOL	2,584	.000	00-00-00	2,584,154	2,584,154	
SUBCLASS TOTAL	2,584			2,584,154	2,584,154	

RESOURCE INDEMNITY FUND

SECURITY	TOTAL	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARGIN VALUATION
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SECURITY	TOTAL	2,584	2,584,154	2,584,154
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FUND	TOTAL	16,226	16,193,574	14,518,300
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MONTANA TECH P. E. BUILDING SINKING FUND

	PAR VALUE (000)	INTEREST RATE	MATURITY DATE	COST	MARKET VALUE	% YIELD*
MONEY MARKET INSTRUMENTS						
U. S. Treasury Notes	163	8.750	11-15-88	\$160,029	\$152,456	9.90%
TOTAL INVESTMENTS	163			\$160,029	\$152,456	

*Market Yield 6-30-88

CERTIFICATES OF DEPOSIT	PAR VALUE	INTEREST RATE	MATURITY DATE	SHARES	DIVIDEND		MARKET VALUE	% YIELD*
First Bank - Great Falls	\$ 2,583	7.50	1-31-81		\$ 2,583	7.50		
First Bank - Great Falls	8,000	7.50	4-02-81		8,000	7.50		
First Bank - Great Falls	5,000	7.50	1-13-82		5,000	7.50		
TOTAL	\$15,583				\$ 15,583			
CORPORATE BONDS								
Montana Dakota Utilities	\$ 1,000			7.125		11-01-93	\$ 725	11.13
Montana Power	1,000			7.50		4-01-01	691	11.41
TOTAL	\$ 2,000						\$ 1,416	

	PAR VALUE	SHARES	DIVIDEND	MARKET VALUE	% YIELD*
PREFERRED STOCK					
Montana Power No. 6 Series					
TOTAL		<u>211</u>	<u>\$6.00</u>	<u>\$ 10,234</u>	<u>12.37</u>
COMMON STOCK					
Central Illinois Public Service		900	1.40	\$ 11,700	10.77
Central Soya		700	.84	8,400	7.00
Central Telephone		600	2.00	15,000	8.00
First Bank System		500	2.24	18,250	6.14
W. R. Grace & Co.		400	2.05	15,550	5.27
I. B. M.		120	3.44	7,050	5.86
Johns Manville		200	1.92	4,550	8.44
Kimberly Clark		500	3.20	22,812	7.01
Manufacturers Hanover		100	2.52	3,313	7.61
Mobil		200	3.40	14,250	4.77
Montana Power		200	2.12	5,425	7.82
Mountain States T. & T.		274	2.32	6,645	9.57
NICOR		400	2.68	13,300	8.36
Pacific Power & Light		363	2.12	7,033	10.94
Phillips Petroleum		100	1.80	4,550	3.96
R. C. A. Corporation		1000	1.80	22,750	7.91
Standard Oil of California		100	3.60	7,650	4.71
Transamerica Corporation		1100	1.12	18,268	6.74
Transco		424	1.44	18,020	3.39
U. S. Fidelity & Guaranty		300	2.80	12,862	5.53
Westinghouse Electric Corporation		600	1.40	13,650	6.15
TOTAL		<u>9081</u>		<u>\$251,048</u>	<u>6.80%</u>
SHORT-TERM INVESTMENT POOL				<u>\$ 19,354</u>	
TOTAL INVESTMENTS				<u>\$ 19,354</u>	
				<u>\$280,636</u>	

* Market Yield 6-30-80

	PAR VALUE	INTEREST RATE	MATURITY DATE	SHARES	DIVIDEND	MARKET VALUE	% YIELD*
CORPORATE OBLIGATIONS							
CONVERTIBLE							
Avco Corporation	\$ 1,800	5.50	11-30-93		\$ 1.071	\$ 1,071	11.49%
TOTAL	\$ 1,800					\$ 1,071	
COMMON STOCK							
American Express	105	\$2.00				\$ 3,662	
Manufacturers Hanover	50	2.52				1,656	7.61
Montana Power	75	2.12				2,034	7.82
Southern California Edison	117	2.72				2,998	10.61
Southern Union Gas	97	1.92				3,516	5.30
Standard Oil of California	50	3.60				3,825	4.71
U. S. Fidelity & Guaranty	55	2.80				2,358	6.53
U. S. Steel	55	1.60				1,038	8.48
TOTAL	604					\$21,087	
SHORT-TERM INVESTMENT POOL							
TOTAL INVESTMENTS						\$13,934	
						\$15,734	
						\$36,092	

* Market Yield 6-30-80

	SHARES	DIVIDEND	MARKET VALUE	% YIELD*
PREFERRED STOCK				
Montana Power No. 6 Series	<u>640</u>	\$6.00	<u>\$31,040</u>	<u>12.37</u>
TOTAL INVESTMENTS	<u>640</u>		<u>\$31,040</u>	<u>12.37%</u>

* Market Yield 6-30-80

SHORT TERM INVESTMENT POOL*
FISCAL YEAR 1980

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FUND	PAR VALUE	MARKET VALUE
Agency Insurance Fund	\$ 6,637,775	\$ 6,637,775
Agriculture - Commercial Feed ERA Fund	65,948	65,948
Agriculture - Commercial Fertilizer Fund	52,637	52,637
Agriculture - Grain Services Fund	212,181	212,181
Board of Oil & Gas Fund	434,764	434,764
Coal Tax - Park Acquisition Fund	3,564,461	3,564,461
Donable Property Fund	68,227	68,227
Eastern Montana College	389,634	389,634
Eugene W. Price Scholarship Fund	13,186	13,186
Flood Insurance Fund	249,172	249,172
Foster Children Fund	108,659	108,659
Group Benefits Fund	994,120	994,120
Highway Complex Headquarters Fund	296,450	296,450
Joseph Homan Fellowship Fund	8,855	8,855
Lands Resource Development Fund	1,638,024	1,638,024
Livestock - Animal Health Emergency Fund	51,532	51,532
Livestock - Animal Health - ERA Fund	241,220	241,220
Livestock - Inspection & Control Fund	457,324	457,324
Local Impact Fund	7,393,846	7,393,846
Long Range Building - Clearance Fund	15,864,773	15,864,773
Montana College of Mineral Science & Technology	638,944	638,944
Montana Rural Rehabilitation Fund	22,270	22,270
Montana State University	4,764,563	4,764,563
Northern Montana College	306,257	306,257
Uninsured Employers Fund	224,426	224,426
University of Montana	2,806,612	2,806,612
Water & Waste Water Operators Fund	19,207	19,207
Western Montana College	222,374	222,374
Wheat Research & Marketing Fund	167,928	167,928
Woodville Highway Replacement Fund	1,767,599	1,767,599
TOTAL	\$49,682,968	\$49,682,968

* Funds which have their total resources invested in STIP

	PAR VALUE	INTEREST RATE	MATURITY DATE	SHARES	DIVIDEND	MARKET VALUE	% YIELD*
CASH AND EQUIVALENTS							
Federal Home Loan Bank	\$150,000	13.35%	9/30/80			\$146,384	13.35%
Discount Notes							
TOTAL	\$150,000					\$146,384	
GOVERNMENT AGENCIES							
Federal Farm Credit Banks	\$200,000	9.70%	6/4/84			\$198,740	9.744%
TOTAL	\$200,000					\$198,740	
SHORT-TERM INVESTMENT POOL							
TOTAL INVESTMENTS						\$181,638	
						\$526,762	

* Market Yield 6-30-80

	PAR VALUE	INTEREST RATE	MATURITY DATE	SHARES	DIVIDEND	MARKET VALUE	% YIELD*
COMMON STOCK							
A.T. & T.				391	\$5.00	\$20,527	9.52
Arizona Public Service				100	2.00	1,900	10.53
Atlantic Richfield				78	1.70	3,647	3.64
Borden				100	1.90	2,550	7.45
DuPont				36	2.00	1,507	4.78
General Motors				15	4.40	698	9.46
I. B. M.				40	3.44	2,350	5.86
Nabisco				78	1.62	1,891	6.68
Transamerica				200	1.12	3,325	6.74
Western Bancorp				150	1.84	4,631	5.96
TOTAL				1183		\$43,026	7.85%
SHORT-TERM INVESTMENT POOL					\$45,515		
TOTAL INVESTMENTS					\$45,515		
* Market Yield 6-30-80							

SHORT-TERM INVESTMENT POOL	\$45,515
TOTAL INVESTMENTS	\$45,515

	<u>SHARES</u>	<u>DIVIDEND</u>	<u>MARKET VALUE</u>	<u>% YIELD*</u>
COMMON STOCK				
Alagasco, Inc.	<u>100</u>	\$1.48	<u>\$1,500</u>	<u>9.87%</u>
	<u>100</u>		<u><u>\$1,500</u></u>	<u><u>9.87%</u></u>
TOTAL INVESTMENTS				
Market Yield 6-30-80				

